



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 104<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 142

WASHINGTON, SATURDAY, SEPTEMBER 28, 1996 No. 137—Part II

## Senate

### THE SAVINGS IN CONSTRUCTION ACT OF 1996

#### BURNS (AND OTHERS) AMENDMENT NO. 5417

Mr. LOTT (for Mr. BURNS, for himself, Mr. STEVENS, Mr. GLENN, Mr. PRESSLER, Mr. HOLLINGS, Mr. KERRY, Mr. WARNER, Mr. ROBB, Mr. SHELBY, and Mr. GRAMS) proposed an amendment to the bill (H.R. 2779) to provide for soft-metric conversation, and for other purposes; as follows:

Strike out all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Savings in Construction Act of 1996".

#### SEC. 2. FINDINGS.

The Congress finds the following:

(1) The Metric Conversion Act of 1975 was enacted in order to set forth the policy of the United States to convert to the metric system. Section 3 of that Act requires that each Federal agency use the metric system of measurements in its procurement, grants,

and other business-related activities, unless that use is likely to cause significant cost or loss of markets to United States firms, such as when foreign competitors are producing competing products in non-metric units.

(2) In accordance with that Act and Executive Order 12770, of July 25, 1991, Federal agencies increasingly construct new Federal buildings in round metric dimensions. As a result, companies that wish to bid on Federal construction projects increasingly are asked to supply materials or products in round metric dimensions.

(3) While the Metric Conversion Act of 1975 currently provides an exemption to metric usage when impractical or when such usage will cause economic inefficiencies, amendments are warranted to ensure that the use of specific metric components in metric construction projects do not increase the cost of Federal buildings to the taxpayers.

#### SEC. 3. DEFINITIONS.

Section 4 of the Metric Conversion Act of 1975 (15 U.S.C. 205c) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking "Commerce." in paragraph (4) and inserting "Commerce"; and

(3) by inserting after paragraph (4) the following:

"(5) 'full and open competition' has the same meaning as defined in section 403(6) of title 41, United States Code;

"(6) 'total installed price' means the price of purchasing a product or material, trimming or otherwise altering some or all of that product or material, if necessary to fit with other building components, and then installing that product or material into a Federal facility;

"(7) 'hard-metric' means measurement, design, and manufacture using the metric system of measurement, but does not include measurement, design, and manufacture using English system measurement units which are subsequently reexpressed in the metric system of measurement;

"(8) 'cost or pricing data or price analysis' has the meaning given such terms in section 304A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b); and

"(9) 'Federal facility' means any public building (as defined under section 13 of the Public Buildings Act of 1959 (40 U.S.C. 612) and shall include any Federal building or construction project—

"(A) on lands in the public domain;

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WILLIAM M. THOMAS, *Chairman*.

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"(B) on lands used in connection with Federal programs for agriculture research, recreation, and conservation programs;

"(C) on or used in connection with river, harbor, flood control, reclamation, or power projects;

"(D) on or used in connection with housing and residential projects;

"(E) on military installations (including any fort, camp, post, naval training station, airfield, proving ground, military supply depot, military school, or any similar facility of the Department of Defense);

"(F) on installations of the Department of Veteran Affairs used for hospital or domiciliary purposes; or

"(G) on lands used in connection with Federal prisons,

but does not include (i) any Federal Building or construction project the exclusion of which the President deems to be justified in the public interest, or (ii) any construction project or building owned or controlled by a State government, local government, Indian tribe, or any private entity."

#### SEC. 4. IMPLEMENTATION IN ACQUISITION OF FEDERAL FACILITIES.

(a) The Metric Conversion Act of 1975 (15 U.S.C. 205 et seq.) is amended by inserting after section 13 the following new section:

##### "SEC. 14. IMPLEMENTATION IN ACQUISITION OF CONSTRUCTION SERVICES AND MATERIALS FOR FEDERAL FACILITIES.

"(a) IN GENERAL.—Construction services and materials for Federal facilities shall be procured in accordance with the policies and procedures set forth in chapter 137 of title 10, United States Code, section 2377 of title 10, United States Code, title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), and section 3(2) of this Act. Determination of a design method shall be based upon preliminary market research as required under section 2377(c) of title 10, United States Code, and section 314B(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 264b(c)). If the requirements of this Act conflict with the provisions of section 2377 of title 10, United States Code, or section 314B of the Federal Property and Administrative Services Act of 1949, then the provisions of 2377 or 314B shall take precedence.

"(b) CONCRETE MASONRY UNITS.—In carrying out the policy set forth in section 3 (with particular emphasis on the policy set forth in paragraph (2) of that section) a Federal agency may require that specifications for the acquisition of structures or systems of concrete masonry be expressed under the metric system of measurement, but may not incorporate specifications, that can only be satisfied by hard-metric versions of concrete masonry units, in a solicitation for design or construction of a Federal facility within the United States or its territories, or a portion of said Federal facility, unless the head of the agency determines in writing that—

"(1) hard-metric specifications are necessary in a contract for the repair or replacement of parts of Federal facilities in existence or under construction upon the effective date of the Savings in Construction Act of 1996; or

"(2) the following 2 criteria are met:

"(A) the application requires hard-metric concrete masonry units to coordinate dimensionally into 100 millimeter building modules; and

"(B) the total installed price of hard-metric concrete masonry units is estimated to be equal to or less than the total installed price of using non-hard-metric concrete masonry units. Total installed price estimates shall be based, to the extent available, on cost or pricing data or price analysis, using actual hard-metric and non-hard-metric of-

fers received for comparable existing projects. The head of the agency shall include in the writing required in this subsection an explanation of the factors used to develop the price estimates.

"(c) RECESSED LIGHTING FIXTURES.—In carrying out the policy set forth in section 3 (with particular emphasis on the policy set forth in paragraph (2) of that section) a Federal agency may require that specifications for the acquisition of structures or systems of recessed lighting fixtures be expressed under the metric system of measurement, but may not incorporate specifications, that can only be satisfied by hard-metric versions of recessed lighting fixtures, in a solicitation for design or construction of a Federal facility within the United States or its territories unless the head of the agency determines in writing that—

"(1) the predominant voluntary industry consensus standards include the use of hard-metric for the items specified; or

"(2) hard-metric specifications are necessary in a contract for the repair or replacement of parts of Federal facilities in existence or under construction upon the effective date of the Savings in Construction Act of 1996; or

"(3) the following 2 criteria are met:

"(A) the application requires hard-metric recessed lighting fixtures to coordinate dimensionally into 100 millimeter building modules; and

"(B) the total installed price of hard-metric recessed lighting fixtures is estimated to be equal to or less than the total installed price of using non-hard-metric recessed lighting fixtures. Total installed price estimates shall be based, to the extent available, on cost or pricing data or price analysis, using actual hard-metric and non-hard-metric offers received for comparable existing projects. The head of the agency shall include in the writing required in this subsection an explanation of the factors used to develop the price estimates.

"(d) LIMITATION.—The provisions of subsections (b) and (c) of this section shall not apply to Federal contracts to acquire construction products for the construction of facilities outside of the United States and its territories.

"(e) EXPIRATION.—The provisions contained in subsections (b) and (c) of this section shall expire 10 years from the effective date of the Savings in Construction Act of 1996."

#### SEC. 5. OMBUDSMAN.

Section 14 of the Metric Conversion Act of 1975, as added by section 4 of this Act, is further amended by adding at the end the following new subsection:

"(f) AGENCY OMBUDSMAN.—(1) The head of each executive agency that awards construction contracts within the United States and its territories shall designate a senior agency official to serve as a construction metrication ombudsman who shall be responsible for reviewing and responding to complaints from prospective bidders, subcontractors, suppliers, or their designated representatives related to—

"(A) guidance or regulations issued by the agency on the use of the metric system of measurement in contracts for the construction of Federal buildings; and

"(B) the use of the metric system of measurement for services and materials required for incorporation in individual projects to construct Federal buildings.

The construction metrication ombudsman shall be independent of the contracting officer for construction contracts.

"(2) The ombudsman shall be responsible for ensuring that the agency is not implementing the metric system of measurement in a manner that is impractical or is likely

to cause significant inefficiencies or loss of markets to United States firms in violation of the policy stated in section 3(2), or is otherwise inconsistent with guidance issued by the Secretary of Commerce in consultation with the Interagency Council on Metric Policy while ensuring that the goals of the Metric Conversion Act of 1975 are observed.

"(3) The ombudsman shall respond to each complaint in writing within 60 days and make a recommendation to the head of the executive agency for an appropriate resolution thereto. In such a recommendation, the ombudsman shall consider—

"(A) whether the agency is adequately applying the policies and procedures in this section;

"(B) whether the availability of hard-metric products and services from United States firms is sufficient to ensure full and open competition; and

"(C) the total installed price to the Federal Government.

"(4) After the head of the agency has rendered a decision regarding a recommendation of the ombudsman, the ombudsman shall be responsible for communicating the decision to all appropriate policy, design, planning, procurement, and notifying personnel in the agency. The ombudsman shall conduct appropriate monitoring as required to ensure the decision is implemented, and may submit further recommendations, as needed. The head of the agency's decision on the ombudsman's recommendations, and any supporting documentation, shall be provided to affected parties and made available to the public in a timely manner.

"(5) Nothing in this section shall be construed to supersede the bid protest process established under subchapter V of chapter 35 of title 31, United States Code."

#### SEC. 6. EFFECTIVE DATE AND MISCELLANEOUS PROVISIONS.

(a) EFFECTIVE DATE.—This Act and the amendments made by this Act shall take effect 90 days after the date of enactment of this Act.

(b) SAVINGS PROVISIONS.—This Act shall not apply to contracts awarded and solicitations issued on or before the effective date of this Act, unless the head of a Federal agency makes a written determination in his or her sole discretion that it would be in the public interest to apply one or more provisions of this Act or its amendments to these existing contracts or solicitations.

#### THE READJUSTMENT COMMISSION ACT OF 1996

##### SIMPSON (AND ROCKEFELLER) AMENDMENT NO. 5418

Mr. NICKLES (for Mr. SIMPSON, for himself and Mr. ROCKEFELLER) proposed an amendment to the bill (S. 1711) to establish a commission to evaluate the programs of the Federal Government that assist members of the Armed Forces and veterans in readjusting to civilian life, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

##### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Benefits Improvements Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. References to title 38, United States Code.

**TITLE I—EDUCATION BENEFITS**

- Sec. 101. Employment handicap for which an individual may receive training and rehabilitation assistance.
- Sec. 102. Permanent authority for alternative teacher certification programs.
- Sec. 103. Period of operation for approval.
- Sec. 104. Elimination of distinction between open circuit TV and independent study.
- Sec. 105. Cooperative programs.
- Sec. 106. Enrollment of certain VEAP participants in Montgomery GI Bill.
- Sec. 107. Montgomery GI Bill eligibility for certain active duty members of Army and Air National Guard.

**TITLE II—HOUSING AND MEMORIAL AFFAIRS**

## Subtitle A—Housing

- Sec. 201. Extension of enhanced loan asset sale authority.
- Sec. 202. Direct loans to refinance loans under Native American veteran housing loan pilot program.

## Subtitle B—Memorial Affairs

- Sec. 211. Clarification of eligibility of minors for burial in national cemeteries.
- Sec. 212. Burial benefits for certain veterans who die in State nursing homes.
- Sec. 213. Outer burial receptacles.

**TITLE III—EMPLOYMENT AND TRAINING**

## Subtitle A—Veterans' Employment and Training

- Sec. 301. Regional Administrator.
- Sec. 302. Support personnel for Directors of Veterans' Employment and Training.
- Sec. 303. Pilot program to integrate and streamline functions of local veterans' employment representatives.

## Subtitle B—Technical Amendments Relating to the Uniformed Services Employment and Reemployment Rights Act of 1994

- Sec. 311. Amendments to chapter 43 of title 38, United States Code.
- Sec. 312. Amendments to transition rules and effective dates.
- Sec. 313. Effective dates.

**TITLE IV—VETERANS LIFE INSURANCE PROGRAMS**

- Sec. 401. Short title.
- Sec. 402. Merger of Retired Reserve Servicemembers' Group Life Insurance and Veterans' Group Life Insurance and extension of Veterans' Group Life Insurance to members of the Ready Reserve.
- Sec. 403. Conversion of SGLI and VGLI to commercial life insurance policy.
- Sec. 404. Information to be provided members concerning automatic maximum coverage of \$200,000 under Servicemen's Group Life Insurance.
- Sec. 405. Renaming of Servicemen's Group Life Insurance program.
- Sec. 406. Technical amendment.

**TITLE V—DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE MATTERS**

- Sec. 501. Revision of authority relating to Centers for Minority Veterans and Women Veterans.
- Sec. 502. Limitation on clothing allowance for incarcerated veterans.
- Sec. 503. Extension of Veterans' Claims Adjudication Commission.
- Sec. 504. Pilot program for use of contract physicians for disability examinations.

Sec. 505. Expansion of period of Vietnam era for certain veterans.

Sec. 506. Payment of benefit to surviving spouse for month in which veteran dies.

Sec. 507. Increase in period for which accrued benefits payable.

Sec. 508. Appointment of veterans service organizations as claimants' representatives.

Sec. 509. Provision of copies of Board of Veterans' Appeals decisions.

Sec. 510. Limitation on relocation or reduction in staffing of certain elements of the Education Service of the Veterans Benefits Administration.

**TITLE VI—OTHER MATTERS**

Sec. 601. Extension of certain authorities for services for homeless veterans.

Sec. 602. Repair and long-term maintenance of war memorials.

**TITLE VII—COMMISSION ON SERVICEMEMBERS AND VETERANS TRANSITION ASSISTANCE**

Sec. 701. Establishment of Commission.

Sec. 702. Duties of Commission.

Sec. 703. Powers of Commission.

Sec. 704. Miscellaneous administrative provisions.

Sec. 705. Commission personnel matters.

Sec. 706. Termination of Commission.

Sec. 707. Fundings.

Sec. 708. Funding.

**SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.**

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

**TITLE I—EDUCATION BENEFITS****SEC. 101. EMPLOYMENT HANDICAP FOR WHICH AN INDIVIDUAL MAY RECEIVE TRAINING AND REHABILITATION ASSISTANCE.**

(a) DEFINITIONS.—Section 3101 is amended—

(1) in paragraph (1), by inserting “, resulting in substantial part from a disability described in section 3102(1)(A) of this title,” after “impairment”;

(2) in paragraph (6), by inserting “authorized under section 3120 of this title” after “assistance”; and

(3) in paragraph (7), by inserting “, resulting in substantial part from a service-connected disability rated at 10 percent or more,” after “impairment”.

(b) BASIC ENTITLEMENT.—Section 3102 is amended—

(1) in paragraph (1)(A)(i), by striking out “which is” and all that follows through “chapter 11 of this title and” and inserting in lieu thereof “rated at 20 percent or more”;

(2) in paragraph (2)(A), by striking out “which is” and all that follows through “chapter 11 of this title and” and inserting in lieu thereof “rated at 10 percent”; and

(3) by amending paragraph (2)(B) to read as follows:

“(B) is determined by the Secretary to be in need of rehabilitation because of a serious employment handicap.”.

(c) PERIODS OF ELIGIBILITY.—Section 3103 is amended—

(1) in subsection (b)(3), by striking out “described in section 3102(1)(A)(i) of this title” and inserting in lieu thereof “rated at 10 percent or more”;

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking out “particular” and inserting in lieu thereof “current”; and

(B) in paragraph (2), by striking out “veteran's employment” and inserting in lieu

thereof “veteran's current employment”; and

(3) in subsection (d), by striking out “under this chapter” and inserting in lieu thereof “in accordance with the provisions of section 3120 of this title”.

(d) SCOPE OF SERVICES AND ASSISTANCE.—Section 3104 is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking out “such veteran's disability or disabilities cause” and inserting in lieu thereof “the veteran has an employment handicap or”; and

(ii) by inserting “reasonably” after “goal is”;

(B) in paragraph (7)(A)—

(i) by striking out “(i)”; and

(ii) by striking out “, and (ii)” and all that follows through “such Act”; and

(C) in paragraph (12), by striking out “For the most severely disabled veterans requiring” and inserting in lieu thereof “For veterans with the most severe service-connected disabilities who require”; and

(2) by striking out subsection (b) and redesignating subsection (c) as subsection (b).

(e) DURATION OF REHABILITATION PROGRAMS.—Paragraph (1) of section 3105(c) is amended by striking out “veteran's employment” and inserting in lieu thereof “veteran's current employment”.

(f) INITIAL AND EXTENDED EVALUATIONS; DETERMINATIONS REGARDING SERIOUS EMPLOYMENT HANDICAP.—(1) Section 3106 is amended—

(A) in subsection (a), by striking out “described in clause (i) or (ii) of section 3102(1)(A) of this title” and inserting in lieu thereof “rated at 10 percent or more”;

(B) in subsection (b), by striking out “counseling in accordance with”;

(C) in subsection (c), by striking out “with extended” and inserting in lieu thereof “with an extended”; and

(D) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and inserting after subsection (c) the following new subsection:

“(d) In any case in which the Secretary has determined that a veteran has a serious employment handicap and also determines, following such initial and any such extended evaluation, that achievement of a vocational goal currently is not reasonably feasible, the Secretary shall determine whether the veteran is capable of participating in a program of independent living services and assistance under section 3120 of this title.”.

(2) Chapter 31 is amended—

(A) in section 3107(c)(2), by striking out “3106(e)” and inserting in lieu thereof “3106(f)”;

(B) in section 3109, by striking out “3106(d)” and inserting in lieu thereof “3106(e)”;

(C) in section 3118(c), by striking out “3106(e)” and inserting in lieu thereof “3106(f)”;

(D) in section 3120(b), by striking out “3106(d)” and inserting in lieu thereof “3106(d) or (e)”.

(g) ALLOWANCES.—Section 3108 is amended—

(1) in subsection (a)(2), by striking out “following the conclusion of such pursuit” and inserting in lieu thereof “while satisfactorily following a program of employment services provided under section 3104(a)(5) of this title”; and

(2) in subsection (f)(1)—

(A) in subparagraph (A)—

(i) by inserting “eligible for and” after “veteran is”;

(ii) by striking out “chapter 30 or 34” and inserting in lieu thereof “chapter 30”; and

(iii) by striking out “either chapter 30 or chapter 34” and inserting in lieu thereof “chapter 30”; and

(B) in subparagraph (B), by striking out "chapter 30 or 34" and inserting in lieu thereof "chapter 30".

(h) EMPLOYMENT ASSISTANCE.—Paragraph (1) of section 3117(a) is amended by inserting "rated at 10 percent or more" after "disability".

(i) PROGRAM OF INDEPENDENT LIVING SERVICES AND ASSISTANCE.—Section 3120 is amended—

(1) in subsection (b), by striking out "service-connected disability described in section 3102(1)(A)" and inserting in lieu thereof "serious employment handicap resulting in substantial part from a service-connected disability described in section 3102(1)(A)(i)"; and

(2) in subsection (d), by striking out "(b)".

(j) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) The amendments made by subsection (a) (other than paragraph (2)), subsection (d) (other than subparagraphs (A) and (B) of paragraph (1)), and subsection (i) shall only apply with respect to claims of eligibility or entitlement to services and assistance (including claims for extension of such services and assistance) under chapter 31 of title 38, United States Code, received by the Secretary of Veterans Affairs on or after the date of the enactment of this Act, including those claims based on original applications, and applications seeking to reopen, revise, reconsider, or otherwise adjudicate or readjudicate on any basis claims for services and assistance under such chapter.

#### SEC. 102. PERMANENT AUTHORITY FOR ALTERNATIVE TEACHER CERTIFICATION PROGRAMS.

Subsection (c) of section 3452 is amended by striking out "For the period ending on September 30, 1996, such" and inserting in lieu thereof "Such".

#### SEC. 103. PERIOD OF OPERATION FOR APPROVAL.

(a) IN GENERAL.—(1) Chapter 36 is amended—

(A) by striking out section 3689; and

(B) by striking out the item relating to section 3689 in the table of sections at the beginning of such chapter.

(2) Subparagraph (C) of section 3680A(d)(2) is amended by striking out "3689(b)(6) of this title" and inserting in lieu thereof "subsection (g)".

(b) DISAPPROVAL OF ENROLLMENT IN CERTAIN COURSES.—Section 3680A is amended by adding after subsection (d) the following new subsections:

"(e) The Secretary may not approve the enrollment of an eligible veteran in a course not leading to a standard college degree offered by a proprietary profit or proprietary nonprofit educational institution if—

"(1) the educational institution has been operating for less than two years;

"(2) the course is offered at a branch of the educational institution and the branch has been operating for less than two years; or

"(3) following either a change in ownership or a complete move outside its original general locality, the educational institution does not retain substantially the same faculty, student body, and courses as before the change in ownership or the move outside the general locality (as determined in accordance with regulations the Secretary shall prescribe) unless the educational institution following such change or move has been in operation for at least two years.

"(f) The Secretary may not approve the enrollment of an eligible veteran in a course as a part of a program of education offered by an educational institution if the course is provided under contract by another educational institution or entity and—

"(1) the Secretary would be barred under subsection (e) from approving the enrollment of an eligible veteran in the course of the educational institution or entity providing the course under contract; or

"(2) the educational institution or entity providing the course under contract has not obtained approval for the course under this chapter.

"(g) Notwithstanding subsections (e) and (f), the Secretary may approve the enrollment of an eligible veteran in a course approved under this chapter if the course is offered by an educational institution under contract with the Department of Defense or the Department of Transportation and is given on or immediately adjacent to a military base, Coast Guard station, National Guard facility, or facility of the Selected Reserve."

(c) APPROVAL OF ACCREDITED COURSES.—Subsection (b) of section 3675 is amended to read as follows:

"(b) As a condition of approval under this section, the State approving agency must find the following:

"(1) The educational institution keeps adequate records, as prescribed by the State approving agency, to show the progress and grades of the eligible person or veteran and to show that satisfactory standards relating to progress and conduct are enforced.

"(2) The educational institution maintains a written record of the previous education and training of the eligible person or veteran that clearly indicates that appropriate credit has been given by the educational institution for previous education and training, with the training period shortened proportionately.

"(3) The educational institution and its approved courses meet the criteria of paragraphs (1), (2), and (3) of section 3676(c) of this title."

#### SEC. 104. ELIMINATION OF DISTINCTION BETWEEN OPEN CIRCUIT TV AND INDEPENDENT STUDY.

(a) VETERANS' EDUCATIONAL ASSISTANCE PROGRAM.—Subsection (f) of section 3482 is amended by striking out "in part".

(b) SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE.—Section 3523 is amended—

(1) in subsection (a)(4), by inserting "(including open circuit television)" after "independent study program" the second place it appears; and

(2) in subsection (c), by striking out "radio" and all that follows through the end and inserting in lieu thereof "radio."

(c) ADMINISTRATION OF EDUCATIONAL BENEFITS.—Subsection (c) of section 3680A is amended by striking out "radio" and all that follows through the end and inserting in lieu thereof "radio."

#### SEC. 105. COOPERATIVE PROGRAMS.

(a) CHAPTER 30.—Section 3032 is amended by striking out subsection (d) and redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(b) CHAPTER 32.—Section 3231 is amended by striking out subsection (d) and redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(c) CHAPTER 35.—Subsection (b) of section 3532 is amended by striking out "\$327" and inserting in lieu thereof "\$404".

(d) CHAPTER 1606.—Section 16131 of title 10, United States Code, is amended—

(1) by striking out subsection (e) and redesignating subsections (f), (g), (h), (i), and (j) as subsections (e), (f), (g), (h), and (i), respectively; and

(2) in subsection (b)(1), by striking out "(g)" and inserting in lieu thereof "(f)".

#### SEC. 106. ENROLLMENT OF CERTAIN VEAP PARTICIPANTS IN MONTGOMERY GI BILL.

(a) IN GENERAL.—Subchapter II of chapter 30 is amended by inserting after section 3018B the following new section:

##### "§3018C. Opportunity for certain VEAP participants to enroll

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is a participant on the date of the enactment of the Veterans' Benefits Improvements Act of 1996 in the educational benefits program provided by chapter 32 of this title;

"(2) is serving on active duty (excluding the periods referred to in section 3202(1)(C) of this title) on such date;

"(3) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree;

"(4) if discharged or released from active duty during the one-year period specified in paragraph (5), is discharged or released therefrom with an honorable discharge; and

"(5) during the one-year period beginning on the date of the enactment of the Veterans' Benefits Improvements Act of 1996, makes an irrevocable election to receive benefits under this section in lieu of benefits under chapter 32 of this title, pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section or which the Secretary of Transportation shall provide for such purpose with respect to the Coast Guard when it is not operating as a service in the Navy;

may elect to become entitled to basic educational assistance under this chapter.

"(b) With respect to an individual who makes an election under subsection (a) to become entitled to basic education assistance under this chapter—

"(1) the basic pay of the individual shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is \$1,200; or

"(2) to the extent that basic pay is not so reduced before the individual's discharge or release from active duty as specified in subsection (a)(4), the Secretary shall collect from the individual an amount equal to the difference between \$1,200 and the total amount of reductions under paragraph (1), which shall be paid into the Treasury of the United States as miscellaneous receipts.

"(c)(1) Except as provided in paragraph (3), an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(5) shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) to the individual, as provided in section 3223(b) of this title and subject to subsection (b)(2) of this section, the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

"(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to subsection (c) of section 3222 of this title on

behalf of any individual referred to in paragraph (1) shall remain in such account to make payments of benefits to such individual under section 3015(f) of this title.

"(d) The procedures provided in regulations referred to in subsection (a) shall provide for notice of the requirements of subparagraphs (B), (C), and (D) of section 3011(a)(3) and of subparagraph (A) of section 3012(a)(3) of this title. Receipt of such notice shall be acknowledged in writing."

(b) CONFORMING AMENDMENTS.—(1) The table of sections at the beginning of chapter 30 is amended by inserting after the item relating to section 3018B the following new item:

"3018C. Opportunity for certain VEAP participants to enroll."

(2) Subsection (d) of section 3013 is amended by striking out "or 3018B" and inserting in lieu thereof "3018B, or 3018C".

(3) Subsection (f) of section 3015 is amended by inserting "3018B, or 3018C" after "section 3018A".

(c) TRANSFER OF EDUCATIONAL ASSISTANCE FUNDS.—(1) Subparagraph (B) of section 3232(b)(2) is amended—

(A) by striking out "for the purposes of section 1322(a) of title 31,"; and

(B) by striking out "as provided in such section" and inserting in lieu thereof "to the Secretary for payments for entitlement earned under subchapter II of chapter 30".

(2) Paragraph (1) of section 3035(b) is amended by inserting before the period at the end the following: "and from transfers from the Post-Vietnam Era Veterans Education Account pursuant to section 3232(b)(2)(B) of this title".

#### SEC. 107. MONTGOMERY GI BILL ELIGIBILITY FOR CERTAIN ACTIVE DUTY MEMBERS OF ARMY AND AIR NATIONAL GUARD.

(a) IN GENERAL.—Paragraph (7) of section 3002 is amended by striking out "November 29, 1989" and inserting in lieu thereof "June 30, 1985".

(b) APPLICATION.—(1) An individual may only become eligible for benefits under chapter 30 of title 38, United States Code, as a result of the amendment made by subsection (a) by making an election to become entitled to basic educational assistance under such chapter. The election may only be made during the nine-month period beginning on the date of the enactment of this Act and in the manner required by the Secretary of Defense.

(2) In the case of any individual making an election under paragraph (1)—

(A) the basic pay of an individual who, while a member of the Armed Forces, makes an election under paragraph (1) shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is \$1,200; or

(B) to the extent that basic pay is not so reduced before the individual's discharge or release from active duty, the Secretary of Veterans Affairs shall collect from an individual who makes such an election an amount equal to the difference between \$1,200 and the total amount of reductions under subparagraph (A), which amount shall be paid into the Treasury as miscellaneous receipts.

(3) In the case of any individual making an election under paragraph (1), the 10-year period referred to in section 3031 of such title shall begin on the later of—

(A) the date determined under such section 3031; or

(B) the date on which the election under paragraph (1) becomes effective.

## TITLE II—HOUSING AND MEMORIAL AFFAIRS

### Subtitle A—Housing

#### SEC. 201. EXTENSION OF ENHANCED LOAN ASSET SALE AUTHORITY.

Paragraph (2) of section 3720(h) is amended by striking out "December 31, 1996" and inserting in lieu thereof "December 31, 1997".

#### SEC. 202. DIRECT LOANS TO REFINANCE LOANS UNDER NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM.

(a) AUTHORITY.—Section 3762 is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h)(1) The Secretary may make direct loans to Native American veterans in order to enable such veterans to refinance existing loans made under this section.

"(2)(A) The Secretary may not make a loan under this subsection unless the loan meets the requirements set forth in subparagraphs (B), (C), and (E) of paragraph (1) of section 3710(e) of this title.

"(B) The Secretary may not make a loan under this subsection unless the loan will bear an interest rate at least one percentage point less than the interest rate borne by the loan being refinanced.

"(C) Paragraphs (2) and (3) of such section 3710(e) shall apply to any loan made under this subsection, except that for the purposes of this subsection the reference to subsection (a)(8) of section 3710 of this title in such paragraphs (2) and (3) shall be deemed to be a reference to this subsection."

(b) LOAN FEE.—Section 3729(a)(2)(E) is amended by striking out "or 3712(a)(1)(F)" and inserting in lieu thereof "3712(a)(1)(F), or 3762(h)".

### Subtitle B—Memorial Affairs

#### SEC. 211. CLARIFICATION OF ELIGIBILITY OF MINORS FOR BURIAL IN NATIONAL CEMETERIES.

Section 2402(5) is amended by inserting after "minor child" the following: "(which for purposes of this chapter includes a child under 21 years of age, or under 23 years of age if pursuing a course of instruction at an approved educational institution)".

#### SEC. 212. BURIAL BENEFITS FOR CERTAIN VETERANS WHO DIE IN STATE NURSING HOMES.

Subsection (a) of section 2303 is amended to read as follows:

"(a)(1) When a veteran dies in a facility described in paragraph (2), the Secretary shall—

"(A) pay the actual cost (not to exceed \$300) of the burial and funeral or, within such limits, may make contracts for such services without regard to the laws requiring advertisement for proposals for supplies and services for the Department; and

"(B) when such a death occurs in a State, transport the body to the place of burial in the same or any other State.

"(2) A facility described in this paragraph is—

"(A) a Department facility (as defined in section 1701(4) of this title) to which the deceased was properly admitted for hospital, nursing home, or domiciliary care under section 1710 or 1711(a) of this title; or

"(B) an institution at which the deceased veteran was, at the time of death, receiving—

"(i) hospital care in accordance with section 1703 of this title;

"(ii) nursing home care under section 1720 of this title; or

"(iii) nursing home care for which payments are made under section 1741 of this title."

#### SEC. 213. OUTER BURIAL RECEPTACLES.

(a) IN GENERAL.—Subsection (d) of section 2306 is amended—

(1) in paragraph (1), by striking out "a grave liner" each place it appears and inserting in lieu thereof "an outer burial receptacle";

(2) in paragraph (2)—

(A) by striking out "grave liners" and inserting in lieu thereof "outer burial receptacles"; and

(B) by striking out "specifications and procedures" and inserting in lieu thereof "regulations or procedures"; and

(3) by adding at the end the following:

"(3) Regulations or procedures under paragraph (2) may specify that—

"(A) an outer burial receptacle other than a grave liner be provided in lieu of a grave liner at the election of the survivors of the interred veteran; and

"(B) if an outer burial receptacle other than a grave liner is provided in lieu of a grave liner upon an election of such survivors, such survivors be required—

"(i) to pay the amount by which the cost of the outer burial receptacle exceeds the cost of the grave liner that would otherwise have been provided in the absence of the election; and

"(ii) to pay the amount of the administrative costs incurred by the Secretary (or, with respect to Arlington National Cemetery, the Secretary of the Army) in providing the outer burial receptacle in lieu of such grave liner.

"(4) Regulations or procedures under paragraph (2) may provide for the use of a voucher system, or other system of reimbursement approved by the Secretary (or, with respect to Arlington National Cemetery, the Secretary of the Army), for payment for outer burial receptacles other than grave liners provided under such regulations or procedures."

(b) CONFORMING AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§2306. Headstones, markers, and burial receptacles".

(2) The table of sections at the beginning of chapter 23 is amended by striking out the item relating to section 2306 and inserting in lieu thereof the following new item:

"2306. Headstones, markers, and burial receptacles."

## TITLE III—EMPLOYMENT AND TRAINING

### Subtitle A—Veterans' Employment and Training

#### SEC. 301. REGIONAL ADMINISTRATOR.

Paragraph (1) of section 4102A(e) is amended by adding at the end the following: "Each Regional Administrator appointed after the date of the enactment of the Veterans' Benefits Improvements Act of 1996 shall be a veteran."

#### SEC. 302. SUPPORT PERSONNEL FOR DIRECTORS OF VETERANS' EMPLOYMENT AND TRAINING.

Subsection (a) of section 4103 is amended—

(1) in the first sentence, by striking out "full-time Federal clerical support" and inserting in lieu thereof "full-time Federal clerical or other support personnel"; and

(2) in the third sentence, by striking out "Full-time Federal clerical support personnel" and inserting in lieu thereof "Full-time Federal clerical or other support personnel".

#### SEC. 303. PILOT PROGRAM TO INTEGRATE AND STREAMLINE FUNCTIONS OF LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.

(a) AUTHORITY TO CONDUCT PILOT PROGRAM.—In order to assess the effects on the timeliness and quality of services to veterans resulting from re-focusing the staff resources of local veterans' employment representatives, the Secretary of Labor may

conduct a pilot program under which the primary responsibilities of local veterans' employment representatives will be case management and the provision and facilitation of direct employment and training services to veterans.

(b) **AUTHORITIES UNDER CHAPTER 41.**—To implement the pilot program, the Secretary of Labor may suspend or limit application of those provisions of chapter 41 of title 38, United States Code (other than sections 4104(b)(1) and (c)) that pertain to the Local Veterans' Employment Representative Program in States designated by the Secretary under subsection (d), except that the Secretary may use the authority of such chapter, as the Secretary may determine, in conjunction with the authority of this section, to carry out the pilot program. The Secretary may collect such data as the Secretary considers necessary for assessment of the pilot program. The Secretary shall measure and evaluate on a continuing basis the effectiveness of the pilot program in achieving its stated goals in general, and in achieving such goals in relation to their cost, their effect on related programs, and their structure and mechanisms for delivery of services.

(c) **TARGETED VETERANS.**—Within the pilot program, eligible veterans who are among groups most in need of intensive services, including disabled veterans, economically disadvantaged veterans, and veterans separated within the previous four years from active military, naval, or air service shall be given priority for service by local veterans' employment representatives. Priority for the provision of service shall be given first to disabled veterans and then to the other categories of veterans most in need of intensive services in accordance with priorities determined by the Secretary of Labor in consultation with appropriate State labor authorities.

(d) **STATES DESIGNATED.**—The pilot program shall be limited to not more than five States to be designated by the Secretary of Labor.

(e) **REPORTS TO CONGRESS.**—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives an interim report describing in detail the development and implementation of the pilot program on a State by State basis.

(2) Not later than 120 days after the expiration of this section under subsection (h), the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a final report evaluating the results of the pilot program and make recommendations based on the evaluation, which may include legislative recommendations.

(f) **DEFINITIONS.**—For the purposes of this section:

(1) The term "veteran" has the meaning given such term by section 101(2) of title 38, United States Code.

(2) The term "disabled veteran" has the meaning given such term by section 4211(3) of such title.

(3) The term "active military, naval, or air service" has the meaning given such term by section 101(24) of such title.

(g) **ALLOCATION OF FUNDS.**—Any amount otherwise available for fiscal year 1997, 1998, or 1999 to carry out section 4102A(b)(5) of title 38, United States Code, with respect to a State designated by the Secretary of Labor pursuant to subsection (d) shall be available to carry out the pilot program during that fiscal year with respect to that State.

(h) **EXPIRATION DATE.**—The authority to carry out the pilot program under this section shall expire on October 1, 1999.

**Subtitle B—Technical Amendments Relating to the Uniformed Services Employment and Reemployment Rights Act of 1994**

**SEC. 311. AMENDMENTS TO CHAPTER 43 OF TITLE 38, UNITED STATES CODE.**

Chapter 43 is amended as follows:

(1) Section 4301(a)(2) is amended by striking out "under honorable conditions".

(2) Section 4303(16) is amended by inserting "national" before "emergency".

(3) Section 4311 is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) An employer may not discriminate in employment against or take any adverse employment action against any person because such person (1) has taken an action to enforce a protection afforded any person under this chapter, (2) has testified or otherwise made a statement in or in connection with any proceeding under this chapter, (3) has assisted or otherwise participated in an investigation under this chapter, or (4) has exercised a right provided for in this chapter. The prohibition in this subsection shall apply with respect to a person regardless of whether that person has performed service in the uniformed services.

"(c) An employer shall be considered to have engaged in actions prohibited—

"(1) under subsection (a), if the person's membership, application for membership, service, application for service, or obligation for service in the uniformed services is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such membership, application for membership, service, application for service, or obligation for service; or

"(2) under subsection (b), if the person's (A) action to enforce a protection afforded any person under this chapter, (B) testimony or making of a statement in or in connection with any proceeding under this chapter, (C) assistance or other participation in an investigation under this chapter, or (D) exercise of a right provided for in this chapter, is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such person's enforcement action, testimony, statement, assistance, participation, or exercise of a right.

"(d) The prohibitions in subsections (a) and (b) shall apply to any position of employment, including a position that is described in section 4312(d)(1)(C) of this title."

(4) Section 4312 is amended—

(A) in subsection (a), by striking out "who is absent from a position of employment" and inserting in lieu thereof "whose absence from a position of employment is necessitated";

(B) in subsection (c)—

(i) by striking out "section 270" in paragraph (3) and inserting in lieu thereof "section 10147"; and

(ii) in paragraph (4)—

(I) by striking out "section 672(a), 672(g), 673, 673b, 673c, or 688" in subparagraph (A) and inserting in lieu thereof "section 688, 12301(a), 12301(g), 12302, 12304, or 12305";

(II) by amending subparagraph (B) to read as follows:

"(B) ordered to or retained on active duty (other than for training) under any provision of law because of a war or national emergency declared by the President or the Congress, as determined by the Secretary concerned";

(III) by striking out "section 673b" in subparagraph (C) and inserting in lieu thereof "section 12304"; and

(IV) by striking out "section 3500 or 8500" in subparagraph (E) and inserting in lieu thereof "section 12406"; and

(C) in subsection (d)(2)(C), by striking out "is brief or for a nonrecurrent period and without a reasonable expectation" and inserting in lieu thereof "is for a brief, non-recurrent period and there is no reasonable expectation".

(5) Section 4313(a)(4) is amended—

(A) by striking out "uniform services" in subparagraph (A)(ii) and inserting in lieu thereof "uniformed services"; and

(B) by striking out "of lesser status and pay which" and inserting in lieu thereof "which is the nearest approximation to a position referred to first in clause (A)(i) and then in clause (A)(ii) which".

(6) Section 4316(d) is amended by adding at the end the following new sentence: "No employer may require any such person to use vacation, annual, or similar leave during such period of service."

(7) Section 4317(a) is amended—

(A) by striking out "(a)(1)(A) Subject to paragraphs (2) and (3), in" and inserting in lieu thereof "(a)(1) In";

(B) by redesignating clauses (i) and (ii) of paragraph (1) (as amended by subparagraph (A) of this paragraph) as subparagraphs (A) and (B), respectively;

(C) by redesignating subparagraph (B) as paragraph (2); and

(D) by redesignating subparagraph (C) as paragraph (3), and in that paragraph by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively.

(8) The last sentence of section 4318(b)(2) is amended by striking out "services," and inserting in lieu thereof "services, such payment period".

(9) Section 4322 is amended—

(A) in the second sentence of subsection (d) by inserting "attempt to" before "resolve"; and

(B) in subsection (e)—

(i) in the matter preceding paragraph (1), by striking out "with respect to a complaint under subsection (d) are unsuccessful," and inserting in lieu thereof "with respect to any complaint filed under subsection (a) do not resolve the complaint,"; and

(ii) in paragraph (2), by inserting "or the Office of Personnel Management" after "Federal executive agency".

(10) Section 4323(a) is amended—

(A) in paragraph (1), by striking out "of an unsuccessful effort to resolve a complaint"; and

(B) in paragraph (2)(A), by striking out "regarding the complaint under section 4322(c)" and inserting in lieu thereof "under section 4322(a)".

(11) Section 4324 is amended—

(A) in subsection (a)(1), by striking out "of an unsuccessful effort to resolve a complaint relating to a Federal executive agency";

(B) in subsection (b)—

(i) in the matter preceding paragraph (1), by inserting "or the Office of Personnel Management" after "Federal executive agency"; and

(ii) in paragraph (1), by striking out "regarding a complaint under section 4322(c)" and inserting in lieu thereof "under section 4322(a)"; and

(C) in subsection (c)(2)—

(i) by inserting "or the Office of Personnel Management" after "Federal executive agency"; and

(ii) by striking out "employee" and inserting in lieu thereof "Office".

(12) Section 4325(d)(1) is amended—

(A) by striking out ", alternative employment in the Federal Government under this chapter,"; and

(B) by striking out "employee" the last place it appears and inserting in lieu thereof "employees".

(13) Section 4326(a) is amended by inserting "have reasonable access to and the right to interview persons with information relevant to the investigation and shall" after "at all reasonable times."

**SEC. 312. AMENDMENTS TO TRANSITION RULES AND EFFECTIVE DATES.**

(a) REEMPLOYMENT.—Section 8(a) of the Uniformed Services Employment and Reemployment Rights Act of 1994 (Public Law 103-353; 108 Stat. 3175; 38 U.S.C. 4301 note) is amended—

(1) in paragraph (3), by adding at the end thereof the following: "Any service begun up to 60 days after the date of the enactment of this Act, which is served up to 60 days after the date of the enactment of this Act pursuant to orders issued under section 502(f) of title 32, United States Code, shall be considered under chapter 43 of title 38, United States Code, as in effect on the day before such date of enactment. Any service pursuant to orders issued under such section 502(f) served after 60 days after the date of the enactment of this Act, regardless of when begun, shall be considered under the amendments made by this Act."; and

(2) in paragraph (4), by striking out "such period" and inserting in lieu thereof "such 60-day period".

(b) INSURANCE.—Section 8(c)(2) of such Act is amended by striking out "person on active duty" and inserting in lieu thereof "person serving a period of service in the uniformed services".

**SEC. 313. EFFECTIVE DATES.**

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle shall take effect as of October 13, 1994.

(b) REORGANIZED TITLE 10 REFERENCES.—The amendments made by clause (i), and subclauses (I), (III), and (IV) of clause (ii), of section 311(4)(B) shall take effect as of December 1, 1994.

**TITLE IV—VETERANS LIFE INSURANCE PROGRAMS**

**SEC. 401. SHORT TITLE.**

This title may be cited as the "Veterans' Insurance Reform Act of 1996".

**SEC. 402. MERGER OF RETIRED RESERVE SERVICEMEMBERS' GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE AND EXTENSION OF VETERANS' GROUP LIFE INSURANCE TO MEMBERS OF THE READY RESERVE.**

(a) DEFINITIONS.—Section 1965(5) is amended—

(1) by adding "and" at the end of subparagraph (B);

(2) by striking out subparagraphs (C) and (D); and

(3) by redesignating subparagraph (E) as subparagraph (C).

(b) PERSONS INSURED.—Section 1967 is amended—

(1) in subsection (a)—

(A) by inserting "and" at the end of paragraph (1);

(B) by striking out paragraphs (3) and (4); and

(C) in the matter following paragraph (2), by striking out "or the first day a member of the Reserves, whether or not assigned to the Retired Reserve of a uniformed service, meets the qualifications of section 1965(5)(C) of this title, or the first day a member of the Reserves meets the qualifications of section 1965(5)(D) of this title,"; and

(2) by striking out subsection (d).

(c) DURATION AND TERMINATION OF COVERAGE.—Section 1968 is amended—

(1) in subsection (a)—

(A) by striking out "subparagraph (B), (C), or (D) of section 1965(5)" in the matter preceding paragraph (1) and inserting in lieu thereof "section 1965(5)(B)";

(B) by striking out the period at the end of paragraphs (1) and (2) and inserting in lieu thereof a semicolon;

(C) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and";

(D) in paragraph (4)—

(i) by striking out "one hundred and twenty days after" in the matter preceding subparagraph (A) and all that follows through "(A) unless on" and inserting in lieu thereof "120 days after separation or release from such assignment, unless on";

(ii) by striking out "prior to the expiration of one hundred and twenty days" and inserting in lieu thereof "before the end of 120 days";

(iii) by striking out the semicolon after "such assignment" and inserting in lieu thereof a period; and

(iv) by striking out subparagraphs (B) and (C); and

(E) by striking out paragraphs (5) and (6); and

(2) in subsection (b), by striking out the last two sentences.

(d) DEDUCTIONS.—Section 1969 is amended—

(1) in subsection (a)(2), by striking out "is assigned to the Reserve (other than the Retired Reserve)" and all that follows through "section 1965(5)(D) of this title,";

(2) by striking out subsection (e); and

(3) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(e) CONVERSION OF SGLI TO VGLI.—The Servicemembers' Group Life Insurance of any member of the Retired Reserve of a uniformed service shall be converted to Veterans' Group Life Insurance effective 90 days after the date of the enactment of this Act.

**SEC. 403. CONVERSION OF SGLI AND VGLI TO COMMERCIAL LIFE INSURANCE POLICY.**

(a) OPTION TO CONVERT SGLI.—Subsection (b) of section 1968, as amended by section 402(c)(2), is amended—

(1) by inserting "(1)" after "(b)" at the beginning of the subsection;

(2) by striking out "would cease," in the first sentence and all that follows through the period at the end of the sentence and inserting in lieu thereof "would cease—

"(A) shall be automatically converted to Veterans' Group Life Insurance, subject to (i) the timely payment of the initial premium under terms prescribed by the Secretary, and (ii) the terms and conditions set forth in section 1977 of this title; or

"(B) at the election of the member, shall be converted to an individual policy of insurance as described in section 1977(e) of this title upon written application for conversion made to the participating company selected by the member and payment of the required premiums."; and

(3) by designating the second sentence as paragraph (2) and in that sentence striking out "Such automatic conversion" and inserting in lieu thereof "Automatic conversion to Veterans' Group Life Insurance under paragraph (1)".

(b) VGLI CONVERSION.—Section 1977 is amended—

(1) in subsection (a)—

(A) by inserting "(1)" after "(a)";

(B) by striking out the last two sentences; and

(C) by adding at the end the following:

"(2) If any person insured under Veterans' Group Life Insurance again becomes insured under Servicemembers' Group Life Insurance but dies before terminating or converting such person's Veterans' Group Insurance, Veterans' Group Life Insurance shall be payable only if such person is insured for less than \$200,000 under Servicemembers' Group Life Insurance, and then only in an amount which, when added to the amount of

Servicemembers' Group Life Insurance payable, does not exceed \$200,000."; and

(2) in subsection (e)—

(A) in the first sentence, by inserting "at any time" after "shall have the right"; and

(B) by striking out the third sentence and inserting in lieu thereof the following: "The Veterans' Group Life Insurance policy converted to an individual policy under this subsection shall terminate on the day before the date on which the individual policy becomes effective.".

**SEC. 404. INFORMATION TO BE PROVIDED MEMBERS CONCERNING AUTOMATIC MAXIMUM COVERAGE OF \$200,000 UNDER SERVICEMEMBERS' GROUP LIFE INSURANCE.**

Section 1967, as amended by section 402(b), is further amended by inserting after subsection (c) the following new subsection (d):

"(d) Whenever a member has the opportunity to make an election under subsection (a) not to be insured under this subchapter, or to be insured under this subchapter in an amount less than the maximum amount of \$200,000, and at such other times periodically thereafter as the Secretary concerned considers appropriate, the Secretary concerned shall furnish to the member general information concerning life insurance. Such information shall include—

"(1) the purpose and role of life insurance in financial planning;

"(2) the difference between term life insurance and whole life insurance;

"(3) the availability of commercial life insurance; and

"(4) the relationship between Servicemembers' Group Life Insurance and Veterans' Group Life Insurance.".

**SEC. 405. RENAMING OF SERVICEMEMBERS' GROUP LIFE INSURANCE PROGRAM.**

(a) IN GENERAL.—The program of insurance operated by the Secretary of Veterans Affairs under subchapter III of chapter 19 of title 38, United States Code, is hereby redesignated as the Servicemembers' Group Life Insurance program.

(b) AMENDMENTS TO CHAPTER 19.—Chapter 19 is amended as follows:

(1) The following provisions are amended by striking out "Servicemen's Group Life Insurance" each place it appears and inserting in lieu thereof "Servicemembers' Group Life Insurance":

(A) Subsections (a), (c), and (e) of section 1967.

(B) Section 1968(b).

(C) Subsections (a) through (d) of section 1969.

(D) Subsections (a), (f), and (g) of section 1970.

(E) Section 1971(b).

(F) Section 1973.

(G) The first sentence of section 1974(a).

(H) Subsections (a), (d), and (g) of section 1977.

(2)(A) The heading of subchapter III is amended to read as follows:

"SUBCHAPTER III—SERVICEMEMBERS' GROUP LIFE INSURANCE".

(B) The heading of section 1974 is amended to read as follows:

"§ 1974. Advisory Council on Servicemembers' Group Life Insurance".

(3) The table of sections at the beginning of the chapter is amended—

(A) by striking out the item relating to subchapter III and inserting in lieu thereof the following:

"SUBCHAPTER III—SERVICEMEMBERS' GROUP LIFE INSURANCE";

and

(B) by striking out the item relating to section 1974 and inserting in lieu thereof the following:

"1974. Advisory Council on Servicemembers' Group Life Insurance.".



(c) OTHER CONFORMING AMENDMENTS.—(1) Section 1315(f)(1)(F) is amended by striking out "servicemen's" the first place it appears and inserting in lieu thereof "servicemembers".

(2) Sections 3017(a)(2)(A)(i) and 3224(1) are amended by striking out "Servicemen's" each place it appears and inserting in lieu thereof "Servicemembers".

(d) REFERENCES.—Any reference to Servicemen's Group Life Insurance or to the Advisory Council on Servicemen's Group Life Insurance in any Federal law, Executive order, regulation, delegation of authority, or other document of the Federal Government shall be deemed to refer to Servicemembers' Group Life Insurance or the Advisory Council on Servicemembers' Group Life Insurance, respectively.

#### SEC. 406. TECHNICAL AMENDMENT.

Section 1977(a) is amended by striking out "and (e)" in the first and second sentences.

### TITLE V—DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE MATTERS

#### SEC. 501. REVISION OF AUTHORITY RELATING TO CENTERS FOR MINORITY VETERANS AND WOMEN VETERANS.

(a) SES STATUS OF DIRECTORS.—Sections 317(b) and 318(b) are each amended by inserting "career or" before "noncareer".

(b) ADDITIONAL FUNCTIONS OF CENTER FOR MINORITY VETERANS.—Section 317(d) is amended—

(1) by redesignating paragraph (10) as paragraph (12); and

(2) by inserting after paragraph (9) the following new paragraphs (10) and (11):

"(10) Advise the Secretary and other appropriate officials on the effectiveness of the Department's efforts to accomplish the goals of section 492B of the Public Health Service Act (42 U.S.C. 289a-2) with respect to the inclusion of minorities in clinical research and on particular health conditions affecting the health of members of minority groups which should be studied as part of the Department's medical research program and promote cooperation between the Department and other sponsors of medical research of potential benefit to veterans who are minorities.

"(11) Provide support and administrative services to the Advisory Committee on Minority Veterans provided for under section 544 of this title."

(c) DEFINITION OF MINORITY VETERANS.—Section 317 is amended by adding at the end the following:

"(g) In this section—

"(1) The term 'veterans who are minorities' means veterans who are minority group members.

"(2) The term 'minority group member' has the meaning given such term in section 544(d) of this title."

(d) CLARIFICATION OF FUNCTIONS OF CENTER FOR WOMEN VETERANS.—Section 318(d)(10) is amended by striking out "(relating to)" and all that follows through "and of" and inserting in lieu thereof "(42 U.S.C. 289a-2) with respect to the inclusion of women in clinical research and on".

(e) ADDITIONAL FUNCTIONS OF ADVISORY COMMITTEES.—(1) Section 542(b) is amended by inserting ", including the Center for Women Veterans" before the period at the end.

(2) Section 544(b) is amended by inserting ", including the Center for Minority Veterans" before the period at the end.

(f) TERMINATION DATE OF ADVISORY COMMITTEE ON MINORITY VETERANS.—Section 544(e) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

#### SEC. 502. LIMITATION ON CLOTHING ALLOWANCE FOR INCARCERATED VETERANS.

(a) PRO RATA REDUCTION.—Chapter 53 is amended by inserting after section 5313 the following new section:

##### "§5313A. Limitation on payment of clothing allowance to incarcerated veterans

"In the case of a veteran who is incarcerated in a Federal, State, or local penal institution for a period in excess of 60 days and who is furnished clothing without charge by the institution, the amount of any annual clothing allowance payable to the veteran under section 1162 of this title shall be reduced by an amount equal to  $\frac{1}{365}$  of the amount of the allowance otherwise payable under that section for each day on which the veteran was so incarcerated during the 12-month period preceding the date on which payment of the allowance would be due. This section shall be carried out under regulations prescribed by the Secretary."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5313 the following new item:

"5313A. Limitation on payment of clothing allowance to incarcerated veterans."

#### SEC. 503. EXTENSION OF VETERANS' CLAIMS ADJUDICATION COMMISSION.

(a) EXTENSION OF TIME FOR SUBMISSION OF FINAL REPORT.—Section 402(e)(2) of the Veterans' Benefits Improvements Act of 1994 (Public Law 103-446; 108 Stat. 4661) is amended by striking out "Not later than 18 months after such date" and inserting in lieu thereof "Not later than December 31, 1996".

(b) FUNDING.—From amounts appropriated to the Department of Veterans Affairs for each of fiscal years 1996 and 1997 for the payment of compensation and pension, the amount of \$75,000 is hereby made available for the activities of the Veterans' Claims Adjudication Commission under title IV of the Veterans' Benefits Improvements Act of 1994 (Public Law 103-446; 108 Stat. 4659; 38 U.S.C. 5101 note).

#### SEC. 504. PILOT PROGRAM FOR USE OF CONTRACT PHYSICIANS FOR DISABILITY EXAMINATIONS.

(a) AUTHORITY.—The Secretary of Veterans Affairs, acting through the Under Secretary for Benefits, may conduct a pilot program under this section under which examinations with respect to medical disability of applicants for benefits under laws administered by the Secretary that are carried out through the Under Secretary for Benefits may be made by persons other than employees of the Department of Veterans Affairs. Any such examination shall be performed pursuant to contracts entered into by the Under Secretary for Benefits with those persons.

(b) LIMITATION.—The Secretary may carry out the pilot program under this section through not more than 10 regional offices of the Department of Veterans Affairs.

(c) SOURCE OF FUNDS.—Payments for contracts under the pilot program under this section shall be made from amounts available to the Secretary of Veterans Affairs for payment of compensation and pensions.

(d) REPORT TO CONGRESS.—Not later than three years after the date of the enactment of this Act, the Secretary shall submit to the Congress a report on the effect of the use of the authority provided by subsection (a) on the cost, timeliness, and thoroughness of medical disability examinations.

#### SEC. 505. EXPANSION OF PERIOD OF VIETNAM ERA FOR CERTAIN VETERANS.

(a) IN GENERAL.—Paragraph (29) of section 101 is amended to read as follows:

"(29) The term 'Vietnam era' means the following:

"(A) The period beginning on February 28, 1961, and ending on May 7, 1975, in the case of a veteran who served in the Republic of Vietnam during that period.

"(B) The period beginning on August 5, 1964, and ending on May 7, 1975, in all other cases."

(b) LIMITED EXPANSION FOR SPECIFIC COMPENSATION PURPOSES.—(1) Paragraphs (1)(B) and (3) of section 1116(a) are each amended by striking out "during the Vietnam era" and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975,".

(2) Paragraphs (1)(A), (2)(C), (2)(E), (2)(F), and (4) of such section are amended by striking out "during the Vietnam era" and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975,".

(c) LIMITED EXPANSION FOR SPECIFIC HEALTH CARE PURPOSES.—(1) The provision stipulated in paragraph (2) is amended—

(A) in clause (i), by striking out "during the Vietnam era," and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975,"; and

(B) in clause (ii), by striking out "such era" and inserting in lieu thereof "such period".

(2) The provision referred to in paragraph (1)—

(A) if the Veterans' Health Care Eligibility Reform Act of 1996 is enacted as a measure of the One Hundred Fourth Congress, is paragraph (4)(A) of section 1710(e) of title 38, United States Code, as added by section 102 of such Act; and

(B) if such Act is not enacted as a measure of the One Hundred Fourth Congress, is paragraph (1)(A) of section 1710(e) of such title.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997. No benefit may be paid or provided by reason of such amendments for any period before such date.

#### SEC. 506. PAYMENT OF BENEFIT TO SURVIVING SPOUSE FOR MONTH IN WHICH VETERAN DIES.

(a) BENEFIT FOR MONTH OF DEATH.—Section 5310 is amended—

(1) by inserting "(a)" before "If, in accordance with"; and

(2) by adding at the end the following:

"(b)(1) If the surviving spouse of a veteran who was in receipt of compensation or pension at the time of death is not entitled to death benefits under chapter 11, 13, or 15 of this title for the month in which the veteran's death occurs, that surviving spouse shall be entitled to a benefit for that month in the amount of benefits the veteran would have received under chapter 11 or 15 of this title for that month but for the death of the veteran.

"(2) If (notwithstanding section 5112(b)(1) of this title) a check or other payment is issued to, and in the name of, the deceased veteran as a benefit payment under chapter 11 or 15 of this title for the month in which death occurs, that check or other payment (A) shall be treated for all purposes as being payable to the surviving spouse, and (B) if that check or other payment is negotiated or deposited, shall be considered to be the benefit to which the surviving spouse is entitled under this paragraph. However, if such check or other payment is in an amount less than the amount of the benefit under paragraph (1), the unpaid amount shall be treated in the same manner as an accrued benefit under section 5121 of this title."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to the death of compensation and pension recipients occurring after December 31, 1996.



**SEC. 507. INCREASE IN PERIOD FOR WHICH ACCRUED BENEFITS PAYABLE.**

Subsection (a) of section 5121 is amended by striking out "one year" in the matter preceding paragraph (1) and inserting in lieu thereof "two years".

**SEC. 508. APPOINTMENT OF VETERANS SERVICE ORGANIZATIONS AS CLAIMANTS' REPRESENTATIVES.**

(a) POWER OF ATTORNEY NAMING A VETERANS SERVICE ORGANIZATION.—Section 5902 is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

"(c)(1) Unless a claimant specifically indicates in a power of attorney filed with the Department a desire to appoint only a recognized representative of an organization listed in or approved under subsection (a), the Secretary may, for any purpose, treat the power of attorney naming such an organization, a specific office of such an organization, or a recognized representative of such an organization as the claimant's representative as an appointment of the entire organization as the claimant's representative.

"(2) Whenever the Secretary is required or permitted to notify a claimant's representative, and the claimant has named in a power of attorney an organization listed in or approved under subsection (a), a specific office of such an organization, or a recognized representative of such an organization without specifically indicating a desire to appoint only a recognized representative of the organization, the Secretary shall notify the organization at the address designated by the organization for the purpose of receiving the notification concerned."

(b) APPLICABILITY.—The amendments made by this section apply to any power of attorney filed with the Department of Veterans Affairs, regardless of the date of its execution.

**SEC. 509. PROVISION OF COPIES OF BOARD OF VETERANS' APPEALS DECISIONS.**

Subsection (e) of section 7104 is amended to read as follows:

"(e)(1) After reaching a decision on a case, the Board shall promptly mail a copy of its written decision to the claimant at the last known address of the claimant.

"(2) If the claimant has an authorized representative, the Board shall—

"(A) mail a copy of its written decision to the authorized representative at the last known address of the authorized representative; or

"(B) send a copy of its written decision to the authorized representative by any means reasonably likely to provide the authorized representative with a copy of the decision within the same time a copy would be expected to reach the authorized representative if sent by first-class mail."

**SEC. 510. LIMITATION ON RELOCATION OR REDUCTION IN STAFFING OF CERTAIN ELEMENTS OF THE EDUCATION SERVICE OF THE VETERANS BENEFITS ADMINISTRATION.**

No funds available to the Department of Veterans Affairs may be obligated or expended before January 1, 1998, to relocate any function of, or to reduce the number of personnel assigned to, any of the following elements of the Veterans Benefits Administration of the Department of Veterans Affairs:

(1) The Office of Education Procedures Systems.

(2) The Office of Education Operations.

(3) The Office of Education Policy and Program Administration.

**TITLE VI—OTHER MATTERS****SEC. 601. EXTENSION OF CERTAIN AUTHORITIES FOR SERVICES FOR HOMELESS VETERANS.**

(a) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1998".

(b) AUTHORIZATIONS OF APPROPRIATIONS FOR HOMELESS VETERANS REINTEGRATION PROJECTS.—Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(E) \$10,000,000 for fiscal year 1997.

"(F) \$10,000,000 for fiscal year 1998."

**SEC. 602. REPAIR AND LONG-TERM MAINTENANCE OF WAR MEMORIALS.**

(a) REPAIR AND LONG-TERM MAINTENANCE OF WAR MEMORIALS.—Section 5(b)(2) of the Act entitled "An Act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes", approved March 4, 1923 (36 U.S.C. 125(b)(2)), is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end the following:

"(B) In assuming responsibility for a war memorial under paragraph (1), the Commission may enter into arrangements with the sponsors of the memorial to provide for the repair or long-term maintenance of the memorial. Any funds transferred to the Commission for the purpose of this subparagraph shall, in lieu of subparagraph (A), be deposited by the Commission in the fund established by paragraph (3).

"(3)(A) There is established in the Treasury a fund which shall be available to the Commission for expenses for the maintenance and repair of memorials with respect to which the Commission enters into arrangements under paragraph (2)(B). The fund shall consist of (i) amounts deposited, and interest and proceeds credited, under subparagraph (B), and (ii) obligations obtained under subparagraph (C).

"(B) The Commission shall deposit in the fund such amounts from private contributions as may be accepted under paragraph (2)(B). The Secretary of the Treasury shall credit to the fund the interest on, and the proceeds from sale or redemption of, obligations held in the fund.

"(C) The Secretary of the Treasury shall invest any portion of the fund that, as determined by the Commission, is not required to meet current expenses. Each investment shall be made in an interest bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States that, as determined by the Commission, has a maturity suitable for the fund.

"(D) The Commission shall separately account for all moneys deposited in and expended from the fund with respect to each war memorial for which an arrangement for the repair or long-term maintenance of the memorial is entered to under paragraph (2)(B)."

(b) ACCOUNTING PROCEDURES RELATING TO RECEIPT AND EXPENDITURE OF CONTRIBUTIONS.—Such Act is further amended by adding at the end the following new section:

"SEC. 14. (a) The Commission shall have a system of financial controls to enable the Commission to comply with the requirements of subsection (b) and section 5(b)(3)(D).

"(b) The Commission shall—

"(1) by March 1 of each year (beginning with 1998)—

"(A) prepare a financial statement which covers all accounts and associated activities of the Commission for the preceding fiscal year and is consistent with the requirements of section 3515 of title 31, United States Code; and

"(B) submit the financial statement, together with a narrative summary, to the Committees on Veterans' Affairs of the Senate and House of Representatives; and

"(2) obtain an audit by the Comptroller General of the United States of each financial statement prepared under paragraph (1)(A), which shall be conducted in accordance with applicable generally accepted government auditing standards and shall be in lieu of any audit otherwise required by law.

"(c) The Commission may not obligate, withdraw, or expend funds received as contributions before March 1, 1998."

**TITLE VII—COMMISSION ON SERVICEMEMBERS AND VETERANS TRANSITION ASSISTANCE****SEC. 701. ESTABLISHMENT OF COMMISSION.**

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission on Servicemembers and Veterans Transition Assistance (hereafter in this title referred to as the "Commission").

(b) MEMBERSHIP.—(1) The Commission shall be composed of 12 members appointed from among private United States citizens with appropriate and diverse experiences, expertise, and historical perspectives on veterans, military, organizational, and management matters. The members shall be appointed as follows:

(A) Four shall be appointed jointly by the chairman and ranking minority member of the Committee on Veterans' Affairs of the House of Representatives.

(B) Four shall be appointed jointly by the chairman and ranking minority member of the Committee on Veterans' Affairs of the Senate.

(C) Two shall be appointed jointly by the chairman and ranking minority member of the Committee on National Security of the House of Representatives.

(D) Two shall be appointed jointly by the chairman and ranking minority member of the Committee on Armed Services of the Senate.

(2)(A) One member of the Commission appointed under each of subparagraphs (A) and (B) of paragraph (1) shall be a representative of a veterans service organization.

(B) To the maximum extent practicable, the individuals appointed under paragraph (1) as members of the Commission shall be veterans.

(C) Not more than seven of the members of the Commission may be members of the same political party.

(3) In addition to the members appointed under paragraph (1), the following shall be nonvoting members of the Commission:

(A) The Under Secretary for Benefits of the Department of Veterans Affairs.

(B) The Assistant Secretary of Defense for Force Management and Personnel.

(C) The Assistant Secretary of Labor for Veterans' Employment and Training.

(4) The appointments of members of the Commission shall, to the maximum extent practicable, be made after consultation with representatives of veterans service organizations.

(5) The appointments of the members of the Commission shall be made not later than 45 days after the date of the enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall

be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed under subsection (b)(1), the Commission shall hold its first meeting.

(e) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(f) CHAIRMAN AND VICE CHAIRMAN.—The Commission shall select a chairman and vice chairman from among its members.

(g) MEETINGS.—The Commission shall meet at the call of the chairman of the Commission.

(h) PANELS.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of such panels shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(i) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

#### SEC. 702. DUTIES OF COMMISSION.

(a) IN GENERAL.—The Commission shall—

(1) review the adequacy and effectiveness of veterans transition assistance and benefits programs in providing assistance to members of the Armed Forces in making the transition and adjustment to civilian life;

(2) review the allocation under law of responsibility for the administration of veterans transition assistance and benefits programs among the various departments and agencies of the Government and determine the feasibility and desirability of consolidating such administration;

(3) evaluate proposals for improving such programs, including proposals for alternative means of providing services delivered by such programs; and

(4) make recommendations to Congress regarding the need for improvements in such programs.

(b) REVIEW OF PROGRAMS TO ASSIST MEMBERS OF THE ARMED FORCES AT SEPARATION.—

(1) While carrying out the general duties specified in subsection (a), the members of the Commission appointed under subparagraphs (C) and (D) of section 701(b)(1) and the member specified in subparagraph (B) of section 701(b)(3) shall review primarily the programs intended to assist members of the Armed Forces at the time of their separation from service in the Armed Forces, including programs designed to assist families of such members.

(2) In carrying out the review, those members of the Commission shall determine the following:

(A) The adequacy of the programs referred to in paragraph (1) for their purposes.

(B) The adequacy of the support of the Armed Forces for such programs.

(C) The adequacy of funding levels for such programs.

(D) The effect, if any, of the existence of such programs on military readiness.

(E) The extent to which such programs provide members of the Armed Forces with job-search skills.

(F) The extent to which such programs prepare such members for employment in the private sector and in the public sector.

(G) The effectiveness of such programs in assisting such members in finding employment in the public sector upon their separation from service.

(H) The ways in which such programs could be improved.

(3) In carrying out the review, the Commission shall make use of previous studies which have been made of such programs.

(c) REVIEW OF PROGRAMS TO ASSIST VETERANS.—(1) While carrying out the general duties specified in subsection (a), the members of the Commission appointed under subparagraphs (A) and (B) of section 701(b)(1) and the members specified in subparagraphs (A) and (C) of section 701(b)(3) shall review the following programs:

(A) Educational assistance programs.

(B) Job counseling, job training, and job placement services programs.

(C) Rehabilitation and training programs.

(D) Housing loan programs.

(E) Small business loan and small business assistance programs.

(F) Employment and employment training programs for employment in the public sector and the private sector, including employer training programs and union apprenticeship programs.

(G) Government personnel policies (including veterans' preference policies) and the enforcement of such policies.

(H) Programs that prepare the families of members of the Armed Forces for their transition from military life to civilian life and facilitate that transition.

(2) In carrying out the review, such members of the Commission shall determine the following:

(A) The adequacy of the programs referred to in paragraph (1) for their purposes.

(B) The adequacy of the support of the Department of Veterans Affairs for such programs.

(C) The adequacy of funding levels for such programs.

(D) The extent to which such programs provide veterans with job-search skills.

(E) The extent to which such programs prepare veterans for employment in the private sector and in the public sector.

(F) The effectiveness of such programs in assisting veterans in finding employment in the public sector upon their separation from service.

(G) The ways in which such programs could be improved.

(d) REPORTS.—(1) Not later than 90 days after the date on which all members of the Commission have been appointed under section 701(b)(1), the Commission shall submit to the Committees on Veterans' Affairs and Armed Services of the Senate and the Committees on Veterans' Affairs and National Security of the House of Representatives a report setting forth a plan for the work of the Commission. The Commission shall develop the plan in consultation with the Secretary of Defense, the Secretary of Veterans Affairs, the Secretary of Labor, and the heads of other appropriate departments and agencies of the Government.

(2)(A) Not later than 18 months after the date of the first meeting of the Commission, the Commission shall submit to the committees referred to in paragraph (1), and to the Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor, a report setting forth the activities, findings, and recommendations of the Commission, including any recommendations for legislative action and administrative action as the Commission considers appropriate.

(B) Not later than 90 days after receiving the report referred to in subparagraph (A), the Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor shall jointly transmit the report to Congress, together with the Secretaries' comments on the report.

#### SEC. 703. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and

places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this title.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from the Department of Defense, the Department of Veterans Affairs, and any other department or agency of the Government such information as the Commission considers necessary to carry out its duties under this title. Upon request of the chairman of the Commission, the head of such department or agency shall furnish such information expeditiously to the Commission.

#### SEC. 704. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Government.

(b) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(c) MISCELLANEOUS ADMINISTRATIVE SUPPORT.—The Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor shall, upon the request of the chairman of the Commission, furnish the Commission, on a reimbursable basis, any administrative and support services as the Commission may require.

#### SEC. 705. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission may be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in performing the duties of the Commission.

(b) TRAVEL AND TRAVEL EXPENSES.—(1) Members and personnel of the Commission may travel on military aircraft, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Commission except when the cost of commercial transportation is less expensive.

(2) The members of the Commission may be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to civil service laws and regulations, appoint and terminate an executive director and up to five additional staff members as may be necessary to enable the Commission to perform its duties. In appointing an individual as executive director, the chairman shall, to the maximum extent practicable, attempt to appoint an individual who is a veteran. The employment of an executive director shall be subject to confirmation by the Commission.

(2) The chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other staff members may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) **DETAIL OF GOVERNMENT EMPLOYEES.**—Upon request of the chairman of the Commission, the head of any department or agency of the Government may detail, on a non-reimbursable basis, any personnel of the department or agency to the Commission to assist the Commission in carrying out its duties.

(e) **PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.**—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5316 of such title.

#### SEC. 706. TERMINATION OF COMMISSION.

The Commission shall terminate 90 days after the date on which it submits its report under section 702(d)(2).

#### SEC. 707. DEFINITIONS.

For the purposes of this title:

(1) The term "veterans transition assistance and benefits program" means any program of the Government the purpose of which is—

(A) to assist, by rehabilitation or other means, members of the Armed Forces in readjusting or otherwise making the transition to civilian life upon their separation from service in the Armed Forces; or

(B) to assist veterans in making the transition to civilian life.

(2) The term "Armed Forces" has the meaning given such term in section 101(10) of title 38, United States Code.

(3) The term "veteran" has the meaning given such term in section 101(2) of title 38, United States Code.

(4) The term "veterans service organization" means any organization covered by section 5902(a) of title 38, United States Code.

#### SEC. 708. FUNDING.

(a) **IN GENERAL.**—The Secretary of Defense shall, upon the request of the chairman of the Commission, make available to the Commission such amounts as the Commission may require to carry out its duties under this title. The Secretary shall make such amounts available from amounts appropriated for the Department of Defense, except that such amounts may not be from amounts appropriated for the transition assistance program (TAP), the Army career alumni program (ACAP), or any similar program.

(b) **AVAILABILITY.**—Any sums made available to the Commission under subsection (a) shall remain available, without fiscal year limitation, until the termination of the Commission.

### THE MISCELLANEOUS TRADE AND TECHNICAL CORRECTIONS ACT OF 1996

#### ROTH AMENDMENT NO. 5419

Mr. NICKLES (for Mr. ROTH) proposed an amendment to the bill (H.R. 3815) to make technical corrections and

miscellaneous amendments to trade laws; as follows:

On page 48, line 17, strike all through line 19, and insert the following:

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "Miscellaneous Trade and Technical Corrections Act of 1996".

(b) **TABLE OF CONTENTS.**—

- Sec. 1. Short title; table of contents.
- Sec. 2. Payment of duties and fees.
- Sec. 3. Other technical and conforming amendments.
- Sec. 4. Clarification regarding the application of customs user fees.
- Sec. 5. Technical amendment to the Customs and Trade Act of 1990.
- Sec. 6. Clarification of fees for certain customs services.
- Sec. 7. Special rule for extending time for filing drawback claims.
- Sec. 8. Treatment of entries of certain televisions.
- Sec. 9. Temporary duty suspension for personal effects of participants in certain world athletic events.
- Sec. 10. Miscellaneous technical correction.
- Sec. 11. Uruguay Round Agreements Act.
- Sec. 12. Imports of civil aircraft.
- Sec. 13. Technical correction to certain chemical description.
- Sec. 14. Marking of certain imported articles and containers.
- Sec. 15. Tariff treatment of certain silver, gold, and platinum bars.
- Sec. 16. Suspension of duty on certain semimanufactured forms of gold.
- Sec. 17. Elimination of East-West Trade Statistics Monitoring System.
- Sec. 18. Retroactive election to reconcile entries.
- Sec. 19. Tariff treatment for certain motor vehicles.
- Sec. 20. Technical amendments relating to Public Law 103-465.
- Sec. 21. Technical amendments relating to Public Law 103-182.
- Sec. 22. Technical amendment regarding judicial review.
- Sec. 23. Reliquidation of entries of warp knitting machines.
- Sec. 24. Temporary suspension of duty on diclofop-methyl.
- Sec. 25. Elimination of duty on 2-amino-3-chlorobenzoic acid, methyl ester.
- Sec. 26. Elimination of duty on 3,3'-diaminobenzidine (tetraamino biphenyl).
- Sec. 27. Certain unliquidated vessel repair entries.
- Sec. 28. Duty on display fireworks.
- Sec. 29. Personal allowance duty exemption for merchandise purchased in a duty-free sales enterprise.
- Sec. 30. Temporary duty suspension for certain motorcycles.
- Sec. 31. Deferral of duty on certain production equipment.
- Sec. 32. Temporary suspension of duty on thidiazuron.
- Sec. 33. 2,3,3-trimethyl-indolenine.
- Sec. 34. Bis(4-amino-3-methylcyclohexyl)-methane.
- Sec. 35. Limitation on designation as beneficiary developing country.

Sec. 36. Temporary duty suspension on certain chemicals used in the formulation of an HIV protease inhibitor.

Sec. 37. Treatment of certain entries of buffalo leather.

Sec. 38. Fees for certain customs services.

Sec. 39. Injury determinations for certain countervailing duty orders.

Sec. 40. Treatment of difference between collections of estimated antidumping duty and final assessed duty under antidumping duty order.

Sec. 41. Certain lead fuel test assemblies.

Sec. 42. Suspension of duty on certain injection molding machines.

Sec. 43. Reliquidation of certain entries of color televisions.

Sec. 44. Articles used to provide repair and maintenance services.

Sec. 45. Yttrium oxide and cerium aluminum terbium used as luminophores.

Sec. 46. Pharmaceutical grade phospholipids.

Sec. 47. Certain structures, parts and components used in the Gemini Telescopes Project, Mauna Kea, Hawaii.

Sec. 48. Articles provided to Steward Observatory.

Sec. 49. Reliquidation of certain frozen concentrated orange juice entries.

Sec. 50. Twine, cordage, ropes, and cables.

Sec. 51. Suspension of duty on certain fatty acid esters.

Sec. 52. Duty suspension on a mobile bison slaughter unit.

Sec. 53. Exemption from tariffs and fees for certain aircraft parts and equipment.

Sec. 54. Reliquidation of certain entries of live swine.

Sec. 55. Reliquidation of certain entries of sewing machines.

Sec. 56. Temporary duty suspension on certain textured rolled glass sheets.

Sec. 57. Temporary suspension of duty on DMT.

Sec. 58. Investigation on cattle and beef trade.

Sec. 59. Special rule for Generalized System of Preferences.

On page 88, strike lines 7 and 8, and insert the following:

#### SEC. 23. RELIQUIDATION OF ENTRIES OF WARP KNITTING MACHINES.

On page 89, strike lines 15 through 17, and insert the following:

#### SEC. 26. ELIMINATION OF DUTY ON 3,3'-DIAMINOBENZIDINE (TETRAAMINO BIPHENYL).

On page 112, beginning on line 1, strike all through the matter following line 6, and insert the following:

#### SEC. 45. YTTRIUM OXIDE AND CERIUM ALUMINUM TERBIUM USED AS LUMINOPHORES.

(a) **IN GENERAL.**—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"	9902.32.06	Yttrium oxide and cerium aluminum terbium of a kind used as luminophores (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2000	"
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## ADDITIONAL STATEMENTS

OBJECTION TO NOMINATIONS TO  
VARIOUS AMBASSADORIAL POSTS

• Mr. GRASSLEY. Mr. President, it is my intention to object to the Senate proceeding to the consideration of Senate Executive Calendar Nos. 756 through 766, Nominations to various Ambassadorial posts. I request that a hold be put on these nominations.

A vacancy has existed since March 31, 1995 on the Board of the Farm Credit Administration. For over a year the White House has had the name of Ann Jorgensen to fill that Republican vacancy. All background work with regard to the nomination has been completed. All that needs to be done is for her name to be submitted to the Senate for confirmation.

I have repeatedly contacted the White House about this nomination and, to date, have not had the courtesy of a reply. The FCA has oversight responsibilities for the farm credit system, the backbone of agricultural finance. It is important for the smooth functioning of the FCS that the FCA have a full complement on its board.

It is my intention to maintain this objection until the White House has disposed of this nomination. •

LEAKING UNDERGROUND STORAGE  
TANKS

• Mr. SMITH. Mr. President, earlier this week, the House passed H.R. 3391, a bill to amend the Leaking Underground Storage Tank Program.

Given the press of time, the Senate will not be able to address and resolve several potential problems in the legislation before the end of this session. I am sorry this is the case. However, I wanted to call this bill to the attention of my colleagues and point out that the issues raised by H.R. 3391 are serious and deserve the attention of the Senate Subcommittee on Superfund, Waste Control and Risk Assessment, that I chair.

Leaking underground storage tanks have been a major source of groundwater contamination over a number of decades. Frequently, underground tanks that held petroleum products or highly toxic chemicals have eroded with time. These tanks have leaked their contents into the soil, which then washed into aquifers supplying drinking water. This problem is particularly acute in rural areas where a large proportion of the population is dependent on groundwater as their drinking water source.

To curtail the impact of leaking underground storage tanks on the environment and the health of those dependent on groundwater, Congress established the Underground Tank Program in 1986. Significant elements of this program included the establishment of national underground storage tank standards which come into full force in 1998; the establishment of

State underground storage tank programs for compliance with and enforcement of the national standards; and the establishment of an underground storage tank trust fund to assist the State programs.

In many ways, the underground tank program provides us a model for cooperative federalism in an environmental cleanup program. There are many lessons to be learned and applied from this cleanup program to other programs like Superfund. Similar to the Superfund Program, however, the underground storage tank program is a discretionary spending program. Therefore, in spite of a dedicated trust fund, it has a significant problem.

The problem, Mr. President, is that after a decade of collecting  $\frac{1}{10}$ th of a cent tax on every gallon of gas sold, nearly \$1 billion just sits in the trust fund. I believe that this money should be at work in the States helping to clean up leaking underground storage tanks, and I intend to have my subcommittee staff look further into this issue when the Senate reconvenes next year. •

SURVEYING THE STRATEGIC  
LANDSCAPE

• Mr. NUNN. Mr. President, the post-cold war era has been in existence for nearly 7 years. Like the period that followed the end of the Second World War, the years since the collapse of the Soviet Union required our Nation to think anew about our security. It has been a time of reorientation and uncertainty as we take stock of our situation and decide on a future course of action. We can no longer, however, afford to continue in a holding pattern that lacks a clear long-term national security strategy. We must put forth the contours of a strategic vision that will guide us through the post-cold war period and that will define and safeguard our vital interests.

## THE ROAD AHEAD

The strategic landscape of the post-cold war era includes certain familiar features. One such feature is the resurgence of deeply rooted national, ethnic, and regional rivalries which were unfrozen by the end of the cold war. Amidst this background are other familiar landmarks. The United States stands as the world's lone superpower but due to their economic strength or vast potential, the other great powers, Russia, China, Japan and Europe, also remain in a class by themselves. Great power politics did not end with the cold war. In fact, the international relations of tomorrow may in some ways look more like the 19th century balance of power system than the cold war system that was dominated by two superpowers. We can hope but we should not assume that the semichaotic nature of the post-cold war period we now inhabit will soon transition to a more stable world order. In other words, this may be it.

The end of the cold war brought an easing of the most ominous threat to

our security—a Soviet nuclear missile attack on the United States. We are no longer compelled to contain Soviet aggression on a global scale. That struggle absorbed untold national resources; victory came at no small price in terms of blood and treasure. Without question, freedom is in greater supply around the world today thanks to the United States and our allies. The overall prospect for our security has improved. However, while the character of the threats to our security have been dramatically transformed, war and interstate conflict are not obsolete. The means of conflict may have changed, but the sources of human conflict and cruelty remain.

We must, therefore, adapt our security posture to a world in which power, in all its forms, is far more dispersed than it was during the cold war. Technology is also more dispersed, raising the risk that countries or groups hostile to our Nation can more easily acquire the means to harm American interests. It was with a profound sense of irony that those who have devoted so much of their efforts to defeating communism came to the realization that the long-awaited collapse of the Soviet empire—and the easing of the nuclear confrontation between Washington and Moscow that was then possible—actually carried with it a new proliferation threat. The possible leakage of nuclear weapons and materials from the former Soviet Union compound the already complex proliferation threat during a time of rapid change and instability at cold war's end.

We can not afford to wait until we have a clearer picture of the future before taking action. Some of the defining features of the strategic landscape are already clear enough.

First and foremost we need to build consensus in support of a common understanding of America's national interests. During the cold war, there were disagreements about tactics, but the basic sense of mission was clear. This is no longer the case. Liberated from the burden of leading the free world against communism, public interest in foreign affairs has diminished, and consensus about foreign policy has evaporated. Nowhere is the lack of consensus more apparent than in the Congress. As we approach the millennium, we must begin to rebuild consensus with a focused discussion of our fundamental interests.

DEFINING OUR NATIONAL INTERESTS AFTER THE  
COLD WAR

What are America's vital interests? A bipartisan commission, of which I was a member, recently issued a report brings needed clarity to the discussion of our national interests. The report, America's National Interests, distinguished between vital, extremely important, important, and secondary interests. These distinction are essential to the task of establishing national priorities and building public support for foreign and defense policy. And despite the common use of the term "vital interests," to describe everything from

soup to nuts, the report defines truly vital interests only those conditions that are strictly necessary to safeguard and enhance the well-being of Americans in a free and secure nation.

It should come as no surprise that preventing and deterring the threat of nuclear, biological and chemical weapons attacks on the United States is at the top of the list of vital interests. According to the report, other vital interests are to prevent the emergence of a hostile hegemon in Europe or Asia; to prevent the emergence of a hostile major power on U.S. borders or in control of the seas; to prevent the catastrophic collapse of major global systems (trade, financial markets, energy supplies, environment); and to ensure the survival of U.S. allies.

Other objectives, such as preventing the use of nuclear, chemical, or biological weapons outside our borders or countering proliferation are extremely important, but not vital interests. Similarly, combating terrorism and avoiding major conflicts in important geographic regions are extremely important, but do not directly threaten the American way of life. This hierarchy of interests does not diminish the desirability of other objectives, such as promoting democracy, human rights and open markets. It is in no way a betrayal of our values to acknowledge that our survival takes precedence over our hopes for a better world to come. But we shall have no peace, no prosperity, nor the ability to help others if our own security is threatened by successful attacks on our vital interests. In our complex post cold war world, we must begin to build a national consensus around the bedrock requirements of our security.

#### PROLIFERATION OF WEAPONS OF MASS DESTRUCTION

The spread of weapons of mass destruction still clouds our security outlook. Possession of nuclear, chemical, or biological weapons by rogue nations or terrorist groups could pose a clear and present danger to our society. U.S. leadership will continue to be the driving force for maintaining norms against either acquisition or use of weapons of mass destruction. The Aspen Strategy Group, which I co-chair along with Ken Dam, recently examined the post-cold war threats posed by WMD proliferation, and found that some significant progress has been made. The Aspen group found:

Important progress has been achieved in restraining—and even rolling back—nuclear proliferation. The nuclear Non-proliferation Treaty has been extended indefinitely. The nuclear weapons formerly controlled by Ukraine, Belarus and Kazakhstan have been consolidated in Russian hands. South Africa has voluntarily dismantled its nuclear arsenal. Brazil and Argentina terminated their nuclear efforts. Only India, Israel and Pakistan are holdouts on the Comprehensive Test Ban Treaty.

While treaties and institutions are only one part of our nonproliferation

efforts, they are important tools which can provide a legal and moral framework for practical mechanisms to deter and detect violations of international treaty commitments. The denuclearization of the former Soviet States other than Russia, the U.N. program to eliminate Iraq's weapons of mass destruction, and efforts to freeze and dismantle North Korea's nuclear weapons program would have been vastly more difficult without the international consensus codified in the Non-Proliferation Treaty [NPT]. The Chemical Weapons Convention, while no panacea, can add a valuable barrier against the diversion of commercial chemicals to make weapons. Our security directly benefits from stronger safeguards on nuclear and chemical materials and from robust enforcement of those treaties.

In addition to the direct threat that these weapons pose to our homeland, our abilities to project military force and to forge coalitions as was assembled in the gulf war could be seriously harmed by the possession of nuclear, chemical, or biological weapons by regional adversaries. Thus, our counter proliferation efforts are another important aspect of our overall nonproliferation policy.

Much of our previous efforts to control the spread of these weapons also benefitted from the ability to deny access to the technology and materials required to make them. The effectiveness of those controls has eroded due to expanding commerce in technologies that can contribute to strategic weapons production and due to increasingly porous and unguarded borders. The materials and know-how for weapons of mass destruction are more available than ever to the highest bidder.

A widening circle of States, non-state actors, and ideologically motivated groups may increasingly have the resources and capabilities to acquire the technology and materials necessary to create weapons of mass destruction. Such groups may not need to wield battlefield-ready military weapons to wreak mass destruction—crude bombs and low-tech delivery systems may suffice. Our new strategy must assume that proliferation, like war, is not a relic of the cold war headed for the dustbin of history.

#### TERRORISM, FANATICISM & LETHAL MATERIALS

Unfortunately, these weapons of unthinkable destructive power already appear within the grasp of individuals and groups willing to do the unthinkable. While terrorism and fanaticism are hardly new, the medium of the terrorists' perverse message is expanding as lethal materials and technology become more readily available. The Unabomber demonstrated the terror one man can inspire, Oklahoma City, allegedly, illustrated the damage two can do, the World Trade Center showed the power of a small, well-organized group and the bombing of an American base in Saudi Arabia drove home the point that terrorists probe for

vulnerabilities abroad and at home. Across the world, the Aum Shinrikyo provided a chilling precedent of a doomsday cult viewing nuclear, chemical and biological weapons as their ticket to paradise.

As a nation we have just begun to come to terms with the full scope of the terrorism threat. For many years, terrorists were mainly interested in making a political statement or drawing attention to a cause through discreet acts of violence such as an assassination, a taking of a hostage or some violent event of limited impact. These criminals were conscious of public relations and even viewed certain acts—such as use of chemical and biological weapons—as taboo. The 1990's, however, have seen terrorists acts that appear intended to create casualties of the highest order. These enemies are too often zealots filled with hate for civil society, and who believe their conduct is justified or divinely inspired. Despite the vivid memories of Oklahoma City and the World Trade Center, I am not sure Americans truly comprehend the devastating effect the use a weapon of mass destruction would have on a civilian population at home.

The possibility of terrorist groups gaining access to former Soviet nuclear materials or know-how, and using them to attack the United States is not merely the stuff of paperback thrillers. A report released last summer by a Center for Strategic and International Studies [CSIS] study group on nuclear smuggling concluded that the risk is no hoax. The Director of Central Intelligence at a 1996 hearing expressed his view on the risk of chemical and biological terrorism that "we have been lucky so far." Mr. President, I do not believe we should base our security on luck. It was a little-noticed fact that the judge in the World Trade Center case stated at the defendant's sentencing hearing that he believed the terrorists attempted to augment the blast with the deadly nerve agent, cyanide. Incidents like these have heightened awareness to this threat. We have begun to take some steps required to meet the challenge of terrorism, such as the domestic preparedness provisions of the Nunn-Lugar-Domenici legislation included in the fiscal year 1997 Defense Authorization Act. We now have a very important foundation for this challenge. But I depart the Senate with a sense that this mission is just beginning.

These are the known dangers that are now coming into focus. Unfortunately, we are a nation of soft targets. An effective response is possible, but it requires a willingness to think anew about our security and about the way our Government and our military are organized to defense against the threats of today. We should not assume that the bureaucratic structures of our foreign policy and national security apparatus, nor the force postures that were successful for waging the cold war, are the right ones for the threats we will face in the future.

## THE NEW CHALLENGE: SECURITY IN CYBERSPACE

The information age has brought us unimaginable efficiency and productivity, in effect shrinking time and space. In military affairs the power of computers and networks have helped make our armed forces the most powerful in the history of the world. Our forces are able to achieve battlefield dominance through use of information systems that receive, collate, and analyze data in real time. Elsewhere in Government and in the private sector every aspect of our society is realizing the great advantages offered by the computer. Key components of our Nation's infrastructure—government, financial, transportation, power, communication—are becoming increasingly dependent upon information systems and networks. Every day new industries and services are going on-line. This process is fueled by advancing technologies that enhance the capability and power of computing, while simultaneously decreasing their cost.

Yet we are only now beginning to comprehend that the same information networks that we are relying upon to run our society are vulnerable to disruption and penetration. The Defense Department estimates that their computers are probably subjected to as many as 250,000 computer attacks each year. When conducting vulnerability assessments of their own systems the Defense Department successfully hacks into its own system over 65 percent of the time. Already we have seen examples of hackers in foreign nations launching electronic info-war attacks on our Defense Department computers. Experts agree we are only detecting the least competent intruders. The loss of sensitive information is not the only result to fear. Much of our Nation's critical infrastructure could be disrupted by a hacker equipped with little more than bad intentions. Imagine the consequences of the northeast power grid being taken down—if even for only a few days—in the middle of winter. Our communications, medical, transportation, and financial infrastructures are all at risk.

Ironically, our dominance and sophistication creates weaknesses our adversaries can exploit, cheaply and with fear of little detection. In this regard, we are our own worst enemy. Most of the vulnerabilities of our information systems are based not simply upon technological defects, but human ones. Our intoxication with technological advantages has made us blind and deaf to information age vulnerabilities. If we fail to embed a culture of information security early in this revolution, we will create scenarios where info-war could become a great equalizer for our enemies.

Thus, along with the proliferation of weapons of mass destruction and terrorism, has arrived a new method to cause mass disruption. How we police the borderless world of cyberspace is a question we have not yet begun to answer.

## INTELLIGENCE AND LAW ENFORCEMENT

Two essential elements of any successful national security strategy, our intelligence and law enforcement capabilities, are both in the process of adjusting to the post-cold war situation. We can not afford a lapse in either. Yet the distinction between warfare and crime is becoming less clear every day, especially when such lethal materials and expertise are being smuggled across borders, when organized crime groups are involved in smuggling everything from weapons of mass destruction, to drugs, to illegal aliens, and when terrorists maintain sophisticated international financial networks.

In light of the new realities, we face, it is imperative that our intelligence agencies work effectively with law enforcement to protect America from the threat posed by the convergence of these formerly distinct threats of proliferation, terrorism, and international organized crime. This intersection of foreign and domestic security has implications for our military and civilian institutions that share responsibilities in the rapidly changing security field. In the process of improving our defenses we must be mindful of our political traditions that separate civilian law enforcement from the military and limit government's intrusion into our lives, but these important sensitivities must not be allowed to paralyze us.

## COOPERATIVE THREAT REDUCTION

Perhaps the most urgent nuclear danger of the post-cold war era stems from the potential loss of control over the nuclear assets of the former Soviet Union, which opens a potential Pandora's box of nuclear proliferation nightmare scenarios. Set free with the disintegration of the Russian empire was a vast potential supermarket of thousands of nuclear, chemical and biological weapons, materials and scientists with the know-how to create them.

Our response to that threat, the Nunn-Lugar Cooperative Threat Reduction [CTR] Program, has been aptly described by Secretary of Defense Bill Perry as defense by other means. Since it began in 1990, the CTR program has been instrumental in assuring central command and control over deployed weapons, preventing the emergence of new nuclear weapons states in Ukraine, Belarus, and Kazakhstan, and locking up tons of nuclear materials to prevent it from falling into the wrong hands.

History will record the prevention of four new nuclear weapons states from emerging out of the wreckage of the Soviet empire as one of the greatest achievements of the decade, and as laying an important foundation for a post-Soviet world. Yet the CTR program is still criticized as foreign aid. Viewed in an historical context, it is useful to ask how much would we have paid during the cold war to eliminate thousands of Soviet warheads. How much is it worth to prevent countries like Iraq and North Korea, or cults like the Aum Shinrikyo, from getting hold of foreign

Soviet nuclear weapons? In my view, the nearly \$2 billion spent on CTR is a bargain. At the recent Aspen Strategy Group meeting on the post-cold war era, the overwhelming consensus of this group of experts was that the Nunn-Lugar programs have opened the door to solutions to a wide range of urgent security problems, some of which threaten Russia itself. The group recommended continued strong support for CTR programs.

THE BACKBONE OF THE STRATEGIC AGENDA:  
NATO, RUSSIA, CHINA, AND NUCLEAR ARMS  
CONTROL

## NATO

The pivotal issue of NATO enlargement has important ramifications for America, the Atlantic Alliance, the countries of central and eastern Europe, and for Russia and the other FSU countries. The decision to move ahead in the immediate future with NATO enlargement raises several questions that need to be addressed as part of our strategic agenda. First, how will NATO expansion affect our vital interests, especially our efforts to stem the proliferation of nuclear weapons and materials from the FSU? Second, how can expansion be conducted without causing Russia to react by redeployment of tactical nuclear weapons and moving further toward a launch on warning hair trigger response. And third, how can the proposed inclusion of the Visegrad nations in NATO be accomplished without threatening the long term security of Ukraine and the Baltics?

## RUSSIA AND THE FSU

With their vast territory, their diverse peoples and great military capabilities, the countries of the former Soviet Union can be either major contributors to global stability and peace or a major cause of instability and conflict. The challenge for the United States and its allies is to facilitate the former outcome.

At the Aspen Strategy Group meeting, experts identified the short, medium and long term aspects of this challenge. In the short term, maintaining controls on nuclear assets remains our top priority. There is more that needs to be done to ensure the safety and security of the nuclear materials that we know are sought by Iran and other nuclear renegades.

We must not lose sight of our medium and long term objectives. In the medium term, therefore, we must continue to craft our strategic relationship with Russia and the other FSU countries, including efforts to further reduce nuclear dangers. This effort should include arms control as well as efforts to convert Russia's massive weapons industries to peaceful purposes.

In the long term, we should encourage new thinking about national security and foreign policy in the minds of Russian and FSU leaders. Our long term strategy should, therefore, include sustained efforts to expose FSU policy makers to the logic of cooperative measures such as strategic arms

control, missile defense and the CTR programs, not just their technical implementation. The recent Aspen Strategy Group meeting discussed several proposals to deepen and expand cooperation on threat reduction, and nonproliferation by harnessing economic forces to move obsolete defense industries into productive and profitable civilian activities. Avoiding another cold war is a goal worth pursuing, where success or failure will affect our security for decades to come.

#### CHINA

With the world's most rapidly growing economy and one fourth of its population, China has joined the ranks of the great powers. China's military modernization and arms policies are already having repercussions throughout Asia. Yet it is an open question whether China will accept the norms and standards that are adhered to by all but a few outlaw states, or will seek revolutionary changes in the existing world order. As important as it is for China to respect international standards for human rights and trade, the future strategic agenda—including nonproliferation, arms control, and regional stability—depends on China's adherence to existing agreements and regimes. Our strategic agenda must not overlook China's ability to make or break the norms and institutions that define the international system.

A major obstacle to China's full incorporation into the international community is the incompleteness of the rule of law in China. With respect to human rights and arms proliferation, a fundamental aspect of our approach should be to encourage China to strengthen its rule of law. This approach would include our concern for human rights, but would also be provide a broader appeal to China's self-interest, because a nation governed by law is more predictable, more attractive to economic investment, and more likely to abide by its commitments.

#### NUCLEAR WEAPONS AND ARMS CONTROL

The end of the cold war did not render deterrence obsolete. Iraq's non-use of its chemical and biological warheads during the Gulf War stands as an important reminder that even rogue states are not immune to the logic of overwhelming retaliation. The credibility of our deterrent forces must remain unquestioned. Yet, the period between the end of the cold war and early decades of the next century offers the United States a unique opportunity. Though the transformation of Russia and emergence of China as a global power could pose new security challenges by about 2010, in the interim, the United States faces no peer competitor and is unrivaled in conventional military superiority. I say this having devoted much of my career to the betterment of our Armed Forces. Our current situation offers a window of opportunity to build our qualitative edge in conventional weapons technology to strengthen deterrence for the future.

At the same time, we can continue to reduce the role of nuclear weapons in our defense strategy—if such reductions are matched by the other nuclear powers. If reductions in our own arsenal can persuade others to make comparable cuts, or not develop nuclear weapons at all, we come out ahead. This is the logic of the Comprehensive Test Ban Treaty; the benefits of freezing the nuclear status quo outweigh the costs and leave us in a position of relative advantage.

Similarly, our promising development of needed limited missile defenses should proceed with an awareness of the unintended consequences that could result if Russia and China respond by retaining, redeploying and building enough warheads and missiles to overwhelm any conceivable anti-missile system, as they have vowed to do. I have argued for years that it is possible to advance as rapidly as possible with missile defenses in a way that does not result in more nuclear weapons being pointed at us. Putting aside the issue of cost for a moment, a policy that leaves us facing more of the threat we were trying to defend against in the first place is the essence of bad strategy. The error is especially shortsighted if it is possible—as it is in this case—to have missile defense and reduce the numbers of missiles pointed at us. In my view, this can be accomplished by cooperation with Russia on limited defense for both nations and modest amendments to the ABM Treaty.

I do not have any illusions about arms control; treaties are not cost-free and do not necessarily address the root causes of conflict. Some people may, as the critics warn, be lulled into a false sense of security by arms control. But I believe my record shows that I have not been one of them. Our Armed Forces today are second to none and will remain so for the foreseeable future. But to the critics of arms control I ask: What is the better alternative to agreements such as START II, which would eliminate the most destabilizing strategic weapons of all—Russia's land-based MIRVed missiles? Would we be better off without Cooperative Threat Reduction programs that keep nuclear weapons out of the hands of terrorists? Sound arms control agreements can and do enhance our security.

These are critical determinants of our national security for the coming era: proliferation, terrorism, and relations among the great powers. Of course, many other important issues contribute to the overall security outlook—our bilateral relationships with key allies, regional developments in Asia and the Middle East, maintaining our technological lead, and various global issues such as trade, population, immigration, environment, human rights, economic development and the march of democracy. But, as the report on America's National Interests and the Aspen Strategy Group both remind us we must give priority to those core

issues that are truly vital to our citizens.

The material follows:

RECOMMENDATIONS OF THE MINORITY STAFF OF THE U.S. SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS—HEARINGS ON SECURITY IN CYBERSPACE, JUNE 5, 1996

The need to establish a comprehensive plan within which to address the vulnerabilities of our National Information Infrastructure (NII) is paramount. Whether through a White House-led Task Force or some similar mechanism, the interdisciplinary nature of this threat requires a government-wide response that also addresses the exposure of the private sector.

The U.S. must formulate national policy to promote the security of its information infrastructure.

Presently, agencies are greatly limited by pre-existing missions and jurisdictional assignments. Unfortunately, the threat ignores national boundaries and often remains a mystery until it is fully investigated. Based upon the multidimensional nature of the threat posed to our information infrastructure, there exists a need to establish a free standing entity that can conduct operational responses to computer attacks, and task different agencies within our government.

The Staff recommends the creation of a National Information Infrastructure Threat Center that will include representatives from the law enforcement, intelligence and the Defense communities, as well as liaison with the private sector. This center should have "real time" 24 hour operational capabilities as well as serve as a clearing house for intrusion reports.

No intelligence, counter-intelligence or law enforcement agency has yet produced an NII threat assessment. More importantly, the intelligence community is having difficulty collecting the data necessary to even prepare such an estimate. Collection of data must become a high priority within the intelligence community.

The Staff recommends that the Director of Central Intelligence complete an NII threat estimate. The estimate should have an unclassified version that can be made available to private industry.

The uneven response in the international community to the threat posed to information infrastructures has created difficulties enforcing anti-intrusion legislation. Only a handful of countries presently have meaningful computer crime investigative capability, and the absence of uniformity has given would-be attackers refuge from detection or prosecution.

The Staff recommends that the U.S. promote the creation of an international computer crime bureau with emergency response capability. This Bureau may be assigned to Interpol and would provide education and awareness training to foreign law enforcement agencies in order to promote the creation of dedicated computer crime units or similar capability as well as uniform investigative and computer forensic practices. This Bureau would also have operational response, like a CERT, in support of computer crime incidents. The Bureau would also collect data on vulnerabilities and disseminate countermeasures as well as serve as an international clearinghouse for intrusion incidents.

Our government must foster a security culture that appreciates the vulnerabilities of our National Information Infrastructure (NII). We need to maintain a better pool of security professionals and, generally, improve the security consciousness of our users and our managers. There are several specialties in the computer career field for government employees including computer operators, computer technicians, computer programmers and computer analysis. There is



no specialty in the computer career fields for network administrators, computer security personnel, nor in the criminal investigative career field for computer crime investigators.

In order to ensure that computer security positions are filled with personnel that possess the requisite experience and training the Staff recommends the creation of a Government Computer Security Specialist Career Field that will include potential for career progression and incorporate specialized computer security training.

In order to promote a stable pool of information security managers within the U.S. government, the Staff recommends the creation of a Government Computer Systems Administrator Career Field that will include potential for career progression and incorporate specialized computer security training.

In order to promote and improve our government's computer crime investigative potential, the Staff recommends the creation of a Government Computer Crime Investigators Career Field that will include the potential for career progression and specialized computer crime investigation training.

Vulnerability testing and assessment of government and government interest computer systems is the best method of enhancing awareness of the vulnerabilities of our information infrastructure. Presently, only the Defense Department has an aggressive vulnerability program.

The Staff recommends that the federal government promote regular vulnerability assessments, or "red teaming," of government agencies, especially agencies outside of the Department of Defense. The Staff further recommends that an agency be designated to perform such vulnerability assessments in the same manner that the Defense Information Systems Agency (DISA) perform such assessments for the armed services.

One of the most significant voids in computer security is the lack of reporting of attempted and even successful penetrations of government systems as well as other systems of national interest. Mandating the reporting of intrusions in government systems will foster a greater security culture with the NII. Further, it is important to give private industry a mechanism within which it can report intrusions without fear of inciting customer insecurity.

The Staff recommends that the U.S. government mandate the reporting of intrusions and attempted intrusions in all government and government interest systems. The Staff further recommends that federal agencies develop protocols and procedures for reporting computer intrusions, and subsequent referral of same to proper criminal or other appropriate agencies like the proposed National Information Infrastructure Threat Center.

The Staff further recommends that the federal government encourage private industry and the private sector to report intrusions into private information systems. The Staff would further recommend that the government promote private industry reporting through creation of anonymous clearing-houses or similar methods.

Logon warning banners that advise users of government computers that there is no expectation of privacy, though recommended by the Department of Justice, are not mandatory on government computer networks. The logon banners put users on notice that they have no reasonable expectation of privacy on government systems and the use of the system constitutes consent to monitoring. Presently, when intrusions occur on government systems, lack of such a logon banner hampers investigative efforts and response.

The Staff recommends logon warning banners become mandatory for all government and government interest systems.●

#### NATIONAL SECURITY AND THE INFORMATION AGE

● Mr. NUNN. Mr. President, technology has long been an instrument of power and change. From the invention of the printing press to the advent of the industrial revolution to the development of nuclear weapons, technological advances have profoundly altered our society and changed the course of our history. Today, we find ourselves in the midst of one of the most far-reaching technological developments of all—the information age.

##### OUR INFORMATION INFRASTRUCTURE

Advances in computing and networking have affected every aspect of our society—from civilian government and the military, to public utilities, health care, communications, transportation, and financial systems. Computer networks and the ever-increasing power of the information systems they connect, are compressing time and space, creating vast efficiencies in the delivery of goods and services. Government is more productive and connected, business is more robust, versatile, and cost-effective, and individuals now have access to large caches of information and each other.

The rush to connect seems to reach new and unimaginable heights each day with the announcement of a more powerful computer or some new innovation. Just 5 years ago the number of users on the Internet totaled 2 to 3 million. Today, over 55 million log-on worldwide and the number grows. Computer links that stretch around the world transcend national and regional boundaries: Beijing and Baltimore are within a keystroke of each other. Equally impressive is the expanding technology that supports this revolution. Today's home computers are literally hundreds of times more powerful and versatile than the mainframe systems that NASA used to send a man to the moon. Connectivity between networks has similarly increased: In 1980, most modems required nearly 3 hours to transmit a 200 page book; today's commercially available modems can transmit the same book in 0.06 of a second.

Along with the great promise of the information age, however, has arrived new dependencies. Our banking and financial systems, though more efficient, rely almost totally upon daily electronic fund transfers in excess of \$1 trillion. Our transportation system—air, rail, and road—is able to receive and analyze vast amounts of data but must also be certain of the accuracy of the information directing its critical operations. Energy and communication networks are more responsive but are similarly reliant upon the redundancy of electronic networks. And the information revolution in military affairs,

though establishing the unquestionable preeminence of our force structure, has fostered a dependency upon 2 million interconnected DOD computers.

How would we get by if the information infrastructure of any of these critical systems proved unreliable?

As we rush to connect to the information superhighway, are we sufficiently addressing the potential weaknesses created by our growing dependency on computers and networks? To what extent can the vital services supported by our information infrastructure be disrupted? How can we be assured that the information stored—especially data related to our national security—retains its availability, reliability, and confidentiality?

##### THE THREAT FROM CYBERSPACE

Ironically, the same technological advances that have brought us the advantages of the information age, have also given us the tools to disrupt and exploit it. In the early 1980's only the very technically competent had the expertise to break into computer systems. Not only were there fewer hackers, there were not as many targets.

Today, the situation is reversed: while the hacker tools are becoming more sophisticated, they are also becoming more available and user-friendly, requiring little expertise. Logic bombs, viruses, password sniffers and other tools that can disrupt and destroy computer networks, are now widely available on the Internet. For instance, last year "point and click" computer security program—Security Administrator Tool for Analyzing Networks or "SATAN"—was disseminated on the Internet. Now this computer program, which provides its user with automated intrusion capability into many networks, is available to millions.

In hearings of the Permanent Subcommittee on Investigations earlier this year experts demonstrated how many of our critical computer networks were neither secure nor confidential. A report issued this year by the General Accounting Office estimated that the unclassified but sensitive networks at the Defense Department are likely experiencing as many as 250,000 computer attacks per year. Vulnerability studies of DOD networks suggest that these network attacks could be successful more than 65 percent of the time. Over 90 percent of all Department of Defense voice and data traffic transits these networks, and the data includes sensitive research data and valuable intelligence information. Furthermore, these systems support critical defense missions related to troop movement and operational plans, procurement, and weapons systems maintenance.

Statistics from the civilian area are equally troubling. A recent FBI survey that included corporations, financial institutions, universities, and health care institutions revealed that 42 percent of those responding experienced

some form of intrusion or other unauthorized use of computer systems within the previous 12 months. Over 15 percent of these attacks involved the unauthorized altering of data.

We have already observed anecdotal evidence of this threat. Last year two London residents penetrated the Rome Air Development Center computers at Griffiss Air Force Base in New York. Earlier this year an Argentinean national attacked NASA and other DOD computer systems from his living room in Buenos Aires. Recently, a computer gang based in St. Petersburg, Russia, launched a computer attack against Citibank and were discovered only after they were able to steal millions. Though disturbing, these incidents involved the least competent and immature attacker. The more sophisticated and structured attack likely occurs without detection or apprehension.

Fortunately, we have not suffered serious breakdowns in our information infrastructure. Americans have not had to endure an unexpected, prolonged, and widespread interruption of power, the indefinite grounding of air traffic, or the loss of banking and financial services and records. We should not, however, wait for an "electronic Pearl Harbor" to spur us into rethinking the speed and nature of our entry into some of these information technologies.

Our intelligence agencies have already acknowledged that potential adversaries throughout the world are developing a body of knowledge about Defense Department and other government computer networks. According to DOD officials, these potential adversaries are developing attack methods that include sophisticated computer viruses and automated attack routines which allow them to launch anonymous attacks from anywhere in the world.

In testimony before the Permanent Subcommittee on Investigations this year, CIA Director John Deutch explained that both hostile nations and terrorist organizations can, with relative ease, acquire the techniques to penetrate information systems. Indeed, in response to a question as to where he would place the threat of cyber-based attacks in terms of overall threats to the United States, Director Deutch stated as follows:

I would say it is very, very close to the top, especially if you ask me to look 10 years down the road. I would say that after the threats from weapons of mass destruction . . . nuclear, chemical and biological weapons, this would fall right under it; it is right next in priority, and it is a subject that is going to be with us for a long time.

#### A DIFFICULT PROBLEM FOR GOVERNMENT

Who is the enemy and what does he or she want? Is it a lone anarchist trying to create chaos, or a well-organized group sponsored by a foreign government? Is the motive of the bad actor greed, espionage, or vandalism? Notwithstanding Director Deutch's admonitions, the staff of the subcommittee found that the collection and analysis

of data that would help provide the nature and extent of the threat posed to our information infrastructure is not presently enough of a priority of our intelligence community. The Brown Commission Report on Roles and Capabilities of the United States Intelligence Community similarly observed that the activity that was occurring did "not appear well coordinated or responsive to an overall strategy."

Likewise, the law enforcement community has been unable to provide reliable threat assessment in this area, perhaps because so little is ever reported to law enforcement. According to an FBI survey, only 17 percent of those responding indicated that they would advise law enforcement if attacked.

Without reliable threat assessment data we can neither conduct meaningful risk management, nor structure a coherent national response to this issue. This is one area where we cannot afford to be operating in the dark. Too many parts of our society have come to rely on the information infrastructure for us to remain ignorant of the extent of our vulnerabilities and the nature of the threat facing us.

This issue poses problems for our Government that are not easily addressed within the framework of our traditional national security strategies. Historically, our Government's security threats have been defined geographically: a foreign threat versus domestic. And the type of threat would inspire a different response from the appropriate agency; whether enforcement, military or intelligence. When we move from the physical world into cyberspace, traditional divisions of responsibility, and assignment of roles and missions become confusing. Is the bad actor a 16 year old, a foreign agent, an anarchist, or a combination thereof? Furthermore, the Internet exists in a "border less" world. How do you ascertain the nature of a threat if you don't know the motive of your adversary? Which agency is used if you can't tell until the end of the investigation the origin of the attack?

#### CONNECTION, PROTECTION AND A CULTURE OF SECURITY

I believe if we fail to recognize and address the potential vulnerabilities of our information infrastructure today, we may find ourselves victims to very costly scenarios tomorrow. Security must be imbedded into not only the technology of the computer age, but its culture as well. Computer users, systems administrators and software and hardware manufacturers must emphasize security on the front-end, not as an afterthought.

Many critical elements of our infrastructure—power, communications, financial, transportation—are largely in the hands of the private sector. As these critical elements become more reliant upon open computer networks, government will have to partner with industry to ensure the reliability of the systems they support. Our intelligence

and law enforcement agencies must develop reliable threat estimates that will not only help secure government and military systems, but provide data to the private sector so that they can manage their own attendant risks. Pivotal to this challenge will be fostering trust between industry and government in this arena.

Finally, we must be willing to reconsider our previously defined notions of national security. The threat from cyberspace, because it can emanate from a borderless world that transcends national boundaries, eludes many of our traditional national security assets. We cannot permit this problem to get lost in the seams of our intelligence, enforcement and defense communities. We will undoubtedly require the types of international alliances that has served us well in our defense of our physical perimeters.

This year the minority staff of the Permanent Subcommittee on Investigations completed a lengthy investigation into these issues that included a report entitled "*Security in Cyberspace*." The report set forth numerous recommendations intended to improve our Nation's cyber defenses. Those recommendations include some key proposals:

- (1) Formulate a national policy that promotes the security of our information infrastructure;
- (2) Create a National Information Infrastructure Threat Center that includes the law enforcement, intelligence, and the defense communities as well as liaison with the private sector;
- (3) Complete an intelligence estimate of the threats to our information infrastructure, that includes an unclassified version that can be made available to the private sector;
- (4) Promote the creation of an international computer crime bureau with emergency response capability;
- (5) Maintain a better and qualified pool of computer security professionals and, generally, improve the security consciousness of our government's users and managers;
- (6) Promote regular computer vulnerability assessments, or "red teaming" of government agencies, especially agencies outside of the Defense Department; and
- (7) Encourage better reporting of computer incidents within private industry while creating a mechanism within which industry can report intrusions without fear of inciting customer insecurity.

Ultimately, there is no question that the information age will bring us to new plateaus that will greatly benefit our citizens and our world. We must make sure, however, that in our rush to connect, we do not lose sight of the more mundane but equally important need to protect.●

#### TERRORISM MEETS PROLIFERATION: THE CONVERGENCE OF THREATS IN THE POST COLD WAR ERA

##### WHEN FICTION BECOMES REALITY

● Mr. NUNN. Mr. President, last year, I spoke to a group about the changes that have occurred since the demise of

the former Soviet Union. In my remarks, I offered a Tom Clancy-like hypothetical, set in 1998, that was intended to illustrate the possible nightmares that we might face in an age of proliferation. In my scenario, Libyan terrorists used a drone aircraft filled with anthrax to attack the Capital during the President's State of the Union Address. Seventy-two hours later, the Government is stunned as Washington hospitals are overwhelmed with fatalities, including many of our elected and appointed leaders. In my scenario, there were few survivors except for those few visionary Senators who had retired in 1996.

Today I will offer another scenario, perhaps even more unbelievable. Imagine that a group of religious zealots led by a charismatic, half-blind yoga instructor assembles an international following of nearly 50,000 members and collects over \$1 billion in assets. Further imagine, this group recruits physicists and scientists from all over the world, and finds a large number of converts among the scientific and professional communities in Russia and Japan. Believing it is their destiny to destroy the world, they begin work on nuclear, chemical, and biological weapons right under the noses of their governments and go completely unnoticed by foreign intelligence services. They purchase sophisticated dual-use technology along with many of the precursors needed to develop their lethal weapons. They send their members worldwide: looking for the Ebola virus in Zaire; mining for uranium in Australia; seeking protein databases for biological weapons and laser instruments in the United States; and obtaining helicopters and drone aircraft, as well as other weapons delivery systems, from the former Soviet Union and elsewhere. They then conduct macabre experiments on sheep and humans.

They are only caught after an attempted sarin nerve gas attack on a major subway system goes awry. A mistake in crafting their delivery system reduces the possible fatalities from tens of thousands, to 12 people, although 5,000 are injured including scores with severe nerve damage.

Of course, this is not a Tom Clancy novel, it is fact. If I had used this same scenario before March 20, 1995, the date of the Tokyo subway sarin gas attack, people would have said, "impossible." The world has learned much since then about the Aum Shinrikyo attack. Much of what we know stems from hearings held by the Permanent Subcommittee on Investigations last year. Those hearings revealed that the Aum and their doomsday weapons were simply not on anybody's radar screen.

The initial response to the subcommittee's revelations was astonishment and disbelief. It sounded unbelievable. Subsequent hearings focused on another previously unthinkable event, the frightening prospect of nuclear chaos in the aftermath of the collapse of the Soviet Union. The Aum, we

now know, was not alone in trying to exploit instability in Russia to buy unconventional weapons and materials—the Iranians and others have been shopping around the former Soviet Union in search of materials, technology, and know-how.

The seizure of 2.7 kilograms of weapon grade uranium in the Czech capital of Prague and other smaller amounts of plutonium elsewhere in Europe prove that nuclear smuggling is a reality. These shipments were intercepted by law enforcement authorities, but is it possible that other shipments may have gone undetected? Last spring I participated in a CSIS study of the nuclear black market headed by former FBI and CIA Director, William Webster. The CSIS panel, which included top intelligence and nuclear specialists, concluded that this was a problem we cannot ignore. It is simply unrealistic to assume that the tons of nuclear materials that are improperly secured, along with thousands of out-of-work Soviet weapons scientists and their equipment will never end up in the wrong hands. Add to this new proliferation problem evidence of possible organized crime involvement in weapons smuggling and you have the ingredients of a full blown disaster looming on the horizon.

Unfortunately, nuclear smuggling is only part of the problem, and perhaps even the least likely one to threaten our security.

#### UNTHINKABLE POWER WITHIN THE GRASP OF THE UNTHINKING

Weapons of mass destruction are increasingly within the grasp of a growing number of developing countries, sub-national groups, terrorist groups and even individuals. The borderless world of cyberspace expands access to information about terrorist techniques and unconventional weapons even further. Various violence-prone groups now share recipes for making weapons of mass destruction on the Internet and offer their trade secrets on how to make and use unconventional weapons for sale through catalogs. This situation is, as observed by Alvin Toffler, "The ultimate devolution of power, the demassification of mass-destruction weapons."

Proliferation and terrorism are not new threats. However, changes in the international situation, in access to technology, and in terrorist motivation require us to think anew about the potential use of unconventional weapons against the United States.

In August I attended a meeting of the Aspen Strategy Group that examined these post-cold-war security threats. The Aspen Strategy Group is a bipartisan committee sponsored by the Aspen Institute that examines critical issues affecting U.S. national security. Secretary of Defense William Perry and other top officials also attended the meeting.

The consensus of the meeting was that the convergence of proliferation, terrorism, and organized crime makes

the post-cold-war period a uniquely dangerous time for our country. Although the risk of nuclear war is vastly reduced and the overall outlook for our security is greatly improved, the risk of chemical, biological or some form of nuclear terrorism has increased. This new threat does not put our civilization at risk in the way that nuclear confrontation did, but it is much harder to deter. The familiar balance of nuclear terror has yielded to a much unpredictable situation, where adversaries may not be dissuaded by threats of retaliation. Our massive retaliatory forces are useless against terrorists who hide among civilian populations. Our biggest threats of the future may well be people who do not have a return address.

At the same time that most of the world has turned its back on nuclear, chemical, and biological weapons, a few desperate nations, terrorist groups, ideologically driven cults, ethnic minorities, disaffected political groups and even individuals may view weapons of mass destruction as the only way to wield power over world events. And if battlefield-usable weapons are not available, crude bombs or dispersal systems may suffice to produce mass terror. The Aspen group and other assess the risk of chemical and biological terrorism as higher than nuclear, with the caveat that radiological weapons could produce massive terror even without posing a major health hazard.

The trend lines in the last several years are not encouraging. In our own country, survivalist and militia-type groups have been charged with attempting to acquire bubonic plague and ricin, a deadly substance derived from the castor bean. A small amount of ricin can kill in minutes if ingested, inhaled, or absorbed through the skin. Two individuals associated with a group called the Minnesota Patriots Council were convicted of planning to use ricin to assassinate IRS officials and other Government employees. A former member of the Aryan Nation ordered the plague, saying he needed it for research purposes. And it is useful to recall that in May 1994, the sentencing judge in the World Trade Center case said the defendants had placed sodium cyanide in their explosives package with the intent of creating a poisonous cyanide gas but fortunately the gas burned during the explosion. If true, we have already had the first attempted chemical terrorist attack here at home.

#### PREPARING FOR THE UNTHINKABLE

Add to these events the bombings in Oklahoma and Dharhan, the plans of the World Trade Center bombers to blow up tunnels during New York City rush hour and another plot to kill thousands by downing commercial aircraft and the challenge is clear. The moral, political, military, and technical factors that made WMD terrorism unthinkable may not last forever. The nuclear strategist Herman Kahn warned over thirty years ago that we

must think about the unthinkable in order to avoid it. We need to think about the unthinkable possibility of a terrorist WMD attack against our country.

These indicators of terrorism's future take place against a background of proliferation, which also continues after the cold war. We learned in 1995, after four years of unprecedented inspections, the true extent of Iraq's nuclear, chemical, and biological weapons programs. Before the gulf war, Saddam Hussein possessed bombs and missiles deployed with anthrax, botulinum, sarin and VX, the most lethal form of nerve gas. Saddam also planned to seize the safeguarded enriched uranium from Iraq's civilian nuclear program and quickly make it into a nuclear bomb. Iran is developing nuclear, chemical and biological weapons; and Libya continues its drive for weapons of mass destruction. North Korea still possesses an unknown quantity of plutonium and continues to sell missiles despite the freeze on its nuclear construction projects; China may be selling nuclear missile technology despite its pledges not to do so. In South Asia, we see India and Pakistan embarking on a nuclear arms race. The list of countries actively pursuing chemical and biological weapons and missiles continues to grow. There are some bright spots on the proliferation front—not least of which is the fact that Ukraine, Belarus and Kazakhstan are giving up the Soviet weapons on their territory. The new twist is that terrorists may join the ranks of the proliferators. Some proliferators such as Iraq, Iran, Libya and Syria are also sponsors of terrorism. Would a government supply WMD capabilities to terrorists, or help terrorists acquire weapons of mass destruction from the former Soviet Union?

This possibility poses a clear challenge to our intelligence and law enforcement efforts against this threat. We cannot keep track of every cult and every disaffected group or individual. While we can and must improve our intelligence capabilities, this is one area in which an ounce of prevention is worth more than a pound of cure. Job number one is to make sure the actual weapons materials are safe from diversion at the source. The cooperative threat reduction programs do just that, and we have just passed legislation to beef up our efforts to improve the security of Russian and FSU nuclear, chemical, and biological weapons materials. That legislation also included support for detection and interdiction of smuggling of these lethal materials, and increased penalties for those who are caught.

Our intelligence and law enforcement efforts also benefit from international cooperation. We need to strengthen the safeguards of the International Atomic Energy Agency to make certain that nuclear materials can all be accounted for, and that suspicious nuclear programs are carefully scrutinized. The

Chemical Weapons Convention is not a cure-all, but it is a step in the right direction and will provide additional technical and political barriers to deter and detect covert chemical weapons programs. As for those who cheat on their international commitments or shun the norms of international behavior, we must be willing to hold them accountable.

Proliferation and terrorism are not new threats. Each will continue to be a threat in its own right and neither shows signs of disappearing any time soon. What is new is the degree of overlap between them. A new breed of terrorism appears willing to take even more extreme measures in pursuit of even more extreme objectives.

#### A COMPREHENSIVE STRATEGY

We need to address the threat posed by the convergence of proliferation and terrorism in a comprehensive way. Unfortunately, the task is even more difficult than negotiating with an ideologically hostile, aggressive, and nuclear-armed superpower. For certain religiously or ideologically driven terrorists, self-preservation may not even be a priority, as it was for the Soviets. The traditional tools of statecraft—the careful blending of force and diplomacy—may have little relevance where the goals of mass destruction and retribution, or supposed divine inspiration, are concerned. The explosive mix of age-old zealotry and new-age weaponry has brought instruments of unthinkable destructive power within the grasp of those willing to commit the unthinkable.

A new strategy to combat the convergence of proliferation and terrorism should consist of several aspects adapted from our current defense posture. The three main components should be deterrence, interdiction and consequence mitigation.

With respect to deterrence, our enemies should never doubt our willingness to respond to any attack, with overwhelming force, whether or not weapons of mass destruction are involved. At the same time, it should also be clear that the use of weapons of mass destruction against the United States would guarantee a retaliation that would far exceed any attacker's ability to withstand. In light of our conventional weapons superiority, overwhelming retaliation can be carried out under most circumstances without resort to nuclear weapons, although nuclear deterrence should remain an option. For the present, ambiguity regarding our response may inspire caution in the minds of any potential attacker.

The threat of overwhelming retaliation, however, is not effective against terrorists, unless they can be traced to a state sponsor. Terrorists typically hide among civilian populations, thus ruling out certain retaliatory options. Of course, military force can still be directed against terrorists where they hide, and we have the capability to conduct special operations, but law en-

forcement agencies will also be on the forefront of our counter-terrorism efforts. Nation that sponsor WMD terrorism should not feel safe from retaliation. Moreover, terrorists of all types should know with certainty that the United States will vigilantly track down and punish them for their criminal acts. In the case of WMD terrorism, the world will not be a big enough place to hide, and any person, group or state associated with such terrorists will be held equally responsible. Fortunately, there is broad consensus throughout the world on extradition and hot-pursuit of terrorists—that consensus is even more solid where WMD are concerned.

Interdiction is the second part of the strategy—to detect and stop illicit transfers of weapons of mass destruction and related technologies, both at our borders and those of cooperating countries. This task will require the accelerated development of improved detection technologies for chemical, biological, and radiological materials as well as training of foreign customs inspectors and law enforcement officials. We have taken some steps toward improving our interdiction capabilities and training foreign customs officials, but we have a long ways yet to go. I am confident that there are promising technologies and innovative methods out there if we are willing to properly fund and support them. My colleagues DICK LUGAR and PETE DOMENICI, and I have called for a new Manhattan Project to solve this problem, and the national laboratories at Livermore, Los Alamos and elsewhere are doing some promising work in this area. The Defense Against Weapons of Mass Destruction Act which we sponsored provides \$27 million to begin this effort.

The third part of our strategy is preparedness to face the threat if prevention fails. We need to rethink and then rebuild our domestic preparedness and planning. Some important improvements have been made recently but, again, much remains to be done. Some agencies, like the Federal Emergency Management Agency [FEMA] have updated their Cold War mission. Others, like the Departments of Defense and Energy, possess specialized equipment and expertise that must be available if a WMD incident occurs. Managing these efforts during a crisis is the job of law enforcement, although their mission to apprehend suspects and collect evidence may sometimes have to take a back seat to public safety.

This is just on the Federal level. We heard during our hearings the concerns of the first responders—the fire, medical, police, public works, and other local officials who would be the first on the scene in the event of a chemical, biological, or nuclear incident. We owe it to those public servants and the citizens they protect to make available the training, equipment, and expertise needed to prevent them from joining the ranks of the first victims of an attack. Our strategy must consolidate

our scattershot efforts to focus on this problem.

The legislation I sponsored with Senators LUGAR and DOMENICI contained a key section on domestic preparedness. We provided the authority and funding to begin to establish special chemical and biological emergency response teams and to train local officials. We also included a provision to improve coordination of all the relevant agencies and departments by establishing a special coordinator at the White House. The Coordinator would oversee the Government's nonproliferation, counterproliferation, counterterrorism, intelligence, and law enforcement activities that are directly relevant to this problem, but are spread far and wide throughout the various departments, and pull them together in a coherent policy.

The change in the nature of the threat requires a change in the way we organize our resources to provide for our defense. We should be willing to rethink and reshape the cold war bureaucracy and adjust our institutions to respond dynamically to a dynamic threat. We will need new doctrine and innovative technologies, improved intelligence and law enforcement, and cooperation with foreign governments to address this threat. The three-pronged strategy I have described is within our reach and within our budget. Of course we will need to shift priorities and more funding will be required. But the threat of terrorist attack on American cities involving radiological, chemical, biological or nuclear weapons has reached a point where a new effort is required. We should not wait to take action in the wake of an incident. This is a clear and present danger that requires a timely response.●

#### RETIREMENT OF COMPTROLLER GENERAL CHARLES A. BOWSHER

● Mr. NUNN. Mr. President, next Monday the Comptroller General of the United States, Charles A. Bowsheer, will retire after 15 years in that position. At the time of his appointment in 1981, President Reagan said "this is one of the most important appointments that I shall make as President, adding that "it's obvious that in this post, a strong and effective leader can have an enduring impact on our political institutions." As chairman and ranking member of the Armed Services Committee, and the Permanent Subcommittee on Investigations, I have had the privilege of working with Mr. Bowsheer and his able staff as they assist the Congress in its oversight function. I believe his efforts have made an enduring impact on our Government, making it more responsible, efficient and accountable to our citizens.

During his tenure, Mr. Bowsheer has overseen a tremendous growth in the amount of reports produced by GAO as well as the amount of official testimony given to Congressional commit-

tees. GAO is now producing over 1,000 reports per year, and provides expert testimony before congressional committees over 300 times per year, doubling their productivity since 1983. Despite reductions of 25 percent in their audit and staffing budget since fiscal year 1992, Mr. Bowsheer made sure the quality of GAO's report and services remained uncompromised.

Under their mandate to evaluate and audit all Government programs and activities, GAO has consistently produced reports that are on the cutting edge of research, analysis, and investigation. Mr. Bowsheer continually pressed for strengthened and revised budget and accounting systems. As a result of GAO's recommendations, over \$100 billion in savings and benefits have been realized through budget reductions, cost avoidances, appropriations deferrals, and revenue enhancements.

As chairman and ranking member of the Permanent Subcommittee on Investigations, I came to rely on the work produced by GAO through their high risk series. These reports documented programs where the potential for billions of dollars in waste, fraud, abuse and mismanagement existed. Their expertise in identifying problem areas didn't end here. Through their work for the subcommittee, they identified innumerable areas for improvement. In the last few years alone, their work for the subcommittee has resulted in hundreds of millions of dollars in documented savings to the Federal Government.

In the Armed Services Committee, we relied on GAO's work on many occasions, especially in areas such as financial management and acquisition policy, and on their investigative abilities in cases where the committee needed to find out exactly what the facts were.

GAO's fine work under Mr. Bowsheer's leadership goes well beyond measurable cost savings. Although the benefits are less quantifiable than dollar savings, they are just as significant. Their work has repeatedly alerted Congress and the executive branch to weaknesses in Federal regulations, law enforcement, and issues related to our Armed Forces. Some examples include:

Identifying problems in requirements for reporting currency transactions at banks and other financial institutions to strengthen the ability to detect money laundering to prevent billions of dollars of drug and criminal proceeds to escape taxation, forfeiture and seizure;

Highlighting the shortcomings of State insurance regulation of the Blue Cross/Blue Shield plans that exposed thousands of subscribers to loss of health care benefits through insurer default;

Identifying differences and weaknesses in state insurance regulations that permit fraudulent insurance schemes to sell worthless policies to unsuspecting consumers;

Identifying loopholes in Department of Education procedures that regulate

the Federal Student Loan and Pell Grant Programs to protect the quality of postsecondary education; and

Prodding the Defense Department to improve its troubled financial management systems, providing continued oversight of DOD's progress, and continuing to press for further improvements in DOD's oversight of the Defense business operations fund and other systems required to ensure that the taxpayer's money has been correctly accounted for.

Mr. Bowsheer has also demonstrated great vision as our Government prepares for the next millennium. Under his leadership, GAO greatly enhanced its focus on issues related to information management and technology, and they have produced cutting edge analysis of the challenges our Government will face in the information age. GAO recently issued a report on the extent to which Defense computer systems are being attacked, the actual and potential damage to its information and systems, and the challenges the Defense Department is facing in securing its sensitive but unclassified information systems. This report and their resulting testimony before the Permanent Subcommittee on Investigations was some of the most professional and skillful I have seen.

This Congress and the American people owe a great debt to Charles Bowsheer for his fine work. I congratulate him on his 15 years of service, and wish him well in his future endeavors.●

#### EXPLANATION OF VOTES ON THE SENATE ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT

● Mr. ABRAHAM. Mr. President, recently, the Senate passed the conference report to the Energy and Water Development Appropriations Act. I would like to take a moment to comment on the amendments to the original bill that was passed out of this Chamber.

The first vote during consideration of this act was on a McCain amendment to eliminate the advanced light water reactor [ALWR] program. Started in 1993, the ALWR represents a joint commitment by Government and industry to develop a new generation of standardized, advanced reactors. I opposed the McCain amendment for several reasons: First, 1997 is the final year of a 5-year program that, once complete, will result in an estimated \$1 billion in U.S. revenue. Congress originally agreed to fund this program for 5 years, and it was important that this commitment be upheld. Perhaps more importantly, the committee estimated that the cost to eliminate the program was actually greater than the 1997 funding amount. Finally, once complete, a major portion of the DOE contributions to this project will be repaid as royalties from the sale of the powerplants. A bipartisan majority of Senators agreed with me and voted to fund the ALWR in its final year on a 53-to-45 vote.

Following the consideration of the ALWR program, the Senate turned to a Bumpers proposal to cut \$269 million from the nuclear weapons stewardship and maintenance accounts. This is an amendment which I resolutely opposed. I believe that continued cuts to this Nation's defense structure may endanger U.S. security at home and abroad. Due to the prohibition on nuclear weapon testing, the DOE is now forced to use noncritical—that is, nonexplosive or computer modeled—testing methods to guarantee the stability of nuclear weapons. As plutonium is only 50 years old as a known element, it isn't known what will happen to it over time, and therefore, how it will change weapons performance or affect maintenance personnel during routine parts replacement. The necessary procurement of new computer and testing facilities requires this level of spending for at least the next 5 years. This shortsighted amendment was tabled 61 to 37.

Immediately thereafter, Senator ROD GRAMS of Minnesota offered an amendment to limit funding for the Appalachian Regional Commission at the House-passed level and require the Commission be phased out in 5 years. I believe that this regional commission is largely unnecessary and should face the same scrutiny which has been given to defense and entitlement funding. I supported similar efforts with regard to this Commission last year. Nonetheless, this amendment was defeated 69 to 30.

The final amendment to the energy and water appropriations bill was a Feingold amendment to eliminate funding for the Bureau of Reclamation's Animas-La Plata [A-LP] project in Colorado. The A-LP project would construct two reservoirs, seven pumping plants, and 200 miles of canals and pipes to pump water uphill to provide irrigation for local residents, most of them native American. And while I applaud Senator FEINGOLD for his efforts to reduce Government spending, this program was agreed to by treaty between the local Indian tribes and the U.S. Government. In instances such as this, I believe treaty commitments must be honored by a compelling showing of necessity, and so I opposed Senator FEINGOLD's amendment which was defeated 65 to 33.

After consideration of all amendments, I was pleased to support final passage of this important funding legislation, and I voted in support of the Energy and Water Development Appropriations Act, and it passed the Senate 93 to 6.●

#### EXPLANATION OF VOTES ON THE SENATE AGRICULTURE APPROPRIATIONS BILL

● Mr. ABRAHAM. Mr. President, farming is Michigan's second largest industry and a cornerstone of the State's economy. For this reason, I would like to take a moment to comment on some

of the amendments considered by the Senate. Prior to final passage, several amendments were debated on the floor of the Senate.

The first amendment considered was a Santorum amendment to prohibit the use of funds in excess of \$125,000 for nonrecourse loans to peanut producers. Recently, the peanut program has faced extensive scrutiny. In response to several attempts to eliminate this program, members from peanut-producing States addressed some of the more problematic aspects of this program in the farm bill. Since this issue had already been considered and decided by the Senate, I opposed Senator SANTORUM's amendment. If the peanut program is going to be amended, I believe it should be done so during consideration of farm programs as a whole. Senator SANTORUM's amendment was ultimately tabled by a vote of 64 to 34.

I did, however, support a second Santorum amendment to ensure that America's farm programs are managed in the most objective manner possible. Specifically, Senator SANTORUM's amendment prohibited the use of funds to carry out a program that was operated by a marketing association if the Secretary of Agriculture determined that a member of the board of directors of the association had a conflict of interest with respect to the program. In my opinion, a program that is not influenced by individuals who stand to gain from decisions will garner greater respect and run more smoothly than a program that is viewed as a Government subsidy for a few individuals. Unfortunately, by a vote of 61 to 37, this amendment was also tabled.

The final amendment considered was a Bryan amendment to reduce the amount of funds appropriated to the Market Access Program [MAP]. The Bryan amendment would have eliminated funding if the aggregate amount of funds and value of commodities under the program exceeded \$70 million. Formerly known as the Market Promotion Program, this program has provided funding for large and lucrative corporations such as Sunkist. I believe the Market Access Program is a clear example of corporate welfare, and I have consistently supported elimination or reduction of this unnecessary Government subsidy. I supported Senator BRYAN's amendment which was tabled by a vote of 55 to 42.

Following disposition of these three amendments, the 1997 Agriculture appropriations bill was passed, with my support, by a vote of 97 to 1. Mr. President, I am pleased that the conferees were able to act quickly to finalize this legislation and allow America's farmers to begin to grow for the market.●

#### EXPLANATION OF VOTES ON THE FISCAL YEAR 1997 TREASURY/POSTAL AND VA/HUD APPROPRIATIONS

● Mr. ABRAHAM. Mr. President, the Senate recently considered several ap-

propriation bills and addressed a number of amendments upon which I did not have the opportunity to comment at the time. One of these votes was on a motion to table the Dorgan amendment to the Treasury-Postal Appropriations bill which would have raised taxes on companies doing business overseas.

Under current law, income generated by a domestically owned controlled foreign corporation is not subject to our income taxes until that income is repatriated back into the country. In addition, CFC's earn tax credits equal to the amount of tax they pay to their foreign host—up to but not exceeding the United States rate of taxation. The Dorgan amendment would require income generated by a CFC by producing goods overseas and selling them back here to be taxed currently, rather than be deferred.

Mr. President, I believe there are a number of provisions in our Tax Code which need to be addressed, but I disagree that offering ad hoc amendments on the Senate floor to appropriation bills is the way to go about it. Appropriation bills are simply not suitable vehicles for major tax reforms. Instead, these issues should be addressed in a comprehensive manner in the Finance Committee.

That said, I also have a number of specific concerns regarding the Dorgan amendment. First, I believe Senator DORGAN needs to make a better case that companies move their plants due to this tax provision, rather than in response to comparative advantages or political barriers. Second, absent some unspecified new protective barriers, I see nothing in this amendment which would repatriate existing overseas jobs or prevent future jobs from being located there as opposed to here.

Mr. President, none of our foreign trading partners impose such a tax burden on their foreign corporations, and before the Senate chooses to impose new taxes on our companies operating overseas, I believe this issue needs to be more fully studied. While I am certain this amendment will raise taxes on American businesses and could harm our competitiveness in Michigan and elsewhere, I am unconvinced it will protect American jobs from foreign competition.

Another issue on which I wish to explain my vote was the motion to table the Bumpers amendment prohibiting the use of funds for the Space Station Program. A similar amendment was introduced last year by Senator BUMPERS, which I supported. Then and now, I have been concerned as to the costs of the program and the extent to which federal taxpayers verses the private sector should fund the effort.

In addition, I am concerned by reports that the American Physical Society has joined 14 other scientific organizations in stating that the scientific justification for the space station was lacking, and that the cost overruns threatened to crowd out other, more

promising NASA programs in future years. As was the case last year, I still believe there would be a net advantage to terminating this program. However, we are near the point where our investment is too great to not finish the project, and so I will continue to review this program annually. Should I reach the conclusion that we have reached the stage where our investment has matured, I will drop my opposition to the space station.

A pair of amendments concerning the distribution of Veterans Medical Administration resources are also worthy of additional explanation. Senators MCCAIN and GRAHAM introduced an amendment to develop a redistribution plan of Veterans Administration medical care resources. The amendment's purpose is to ensure that veterans have similar access to health care services regardless of where they live. This seems to be the correct way for an efficient government to function and is consistent with our commitment to provide quality medical care to our Nation's veterans. The Senate overwhelmingly adopted this amendment by a vote of 79 to 18.

Senators HARKIN and MOYNIHAN then introduced an amendment that would have prohibited this plan from reducing VA funds spent in any State over the previous year. Given our declining veterans population with shifting medical requirements, I believe it is unreasonable to prohibit the Department of Veterans Affairs from reducing its outlays in certain regions of the country, even if the demand for such services has decreased. The effect of this prohibition would have been large segments of our veterans population being denied medical care. This is not responsible governance, and I therefore joined with 59 other Senators in defeating this amendment 60 to 37.

Another amendment related to health care was offered by the Senator from Oregon, Senator WYDEN, which would prohibit health care plans from restricting or prohibiting certain communications between doctors and their patients. Mr. President, I believe this issue has merit and should be addressed by Congress, but I do not believe the Treasury-Postal Appropriations bill is the appropriate vehicle, especially considering that the amendment had a substantial cost which would have made the entire appropriation bill exceed its budget limits. As such, it was subject to a point of order which I supported.

It is my understanding that Senator WYDEN, Senator KASSEBAUM, and others are working at this moment to construct a bipartisan solution to both the problem raised by Senator WYDEN and the concerns of other Senators and the insurance industry. I support these efforts and look forward to seeing some type of resolution, if not in this Congress then in the next.

Finally, Mr. President, this Senator would like to explain his reasoning in voting to table Senator KERRY's

amendment calling for additional expenditures on behalf of a study on the use of taggants in black gun powder and smokeless powder. On this amendment, both the majority and minority managers of the bill as well as the administration objected to the offset used by the Senator from Massachusetts in paying for the study's expanded mandate. Therefore, I chose to support the managers' motion to table. The amendment was successfully tabled by a vote of 57 to 42.●

#### EXPLANATION OF VOTES ON THE DEPARTMENT OF DEFENSE AUTHORIZATION BILL

● Mr. ABRAHAM. Mr. President, I wish to explain a number of my votes on amendments to the Department of Defense Authorization Bill (S. 1745) passed out of this chamber on July 10, 1996. Specifically, I wish to address my votes on Senator EXON's amendment regarding a general cut in defense spending, Senator WELLSTONE's amendment regarding a shift of defense funds to other budget priorities, and Senator KYL's amendment regarding nuclear weapon testing.

Senator EXON proposed cutting the Defense budget across the board by \$4 billion. I opposed this because I believe such a blanket approach is not a responsible way to contain defense spending. Moreover, the Chairman of the Joint Chiefs of Staff, General Shalikashvili, has stated the he needs \$60 billion more than the President requested to modernize weapon systems. America's superior military equipment is aging quickly compared to that of our potential adversaries, and I believe our men and women in uniform should not be placed in harms way without the best equipment possible. By the year 2010, our average fighter will have aged by 218 percent, and will only have 1 year left in its service life limit. Tanks will be almost four times as old as they are today because we are not buying new tanks, and the current stock of tanks will have, on average, passed their designed service life. This is unacceptable. To cut these funds when our fighting men and women need them most is unconscionable, and therefore, I voted against the Exon amendment.

Mr. President, I would also like to address my vote regarding Senator WELLSTONE's amendment on shifting \$1.3 billion from defense spending to education programs. I have pledged to support those Federal education programs that work. However, this body has long respected the "firewall" between defense spending and other discretionary spending because we realize the common defense is indeed our first priority, and therefore funding for the military should be determined independent of other programs. Thus I voted to table this amendment.

The manner in which we provide for that common defense, however, sometimes is guaranteed as much by the

policies we establish as by the money we spend. Although all of us pray that nuclear weapons are never again used, we still find ourselves in a world where we must maintain an effective nuclear deterrent to defend our country and our national security. As an aside, this requirement for nuclear weapons would be drastically reduced if we were to develop an effective ballistic missile defense system for the territory of the United States. Due to the Clinton administration's opposition, however, we remain much more vulnerable to enemy nuclear attack. This requires us to maintain more nuclear weapons than we would otherwise need as a deterrent force. Therefore, as long as we have nuclear weapons, we must also ensure that they are stable and effective to maintain the deterrent influence.

To that end, we must also preserve the ability, at least in the short term, to test these weapons for stability and effectiveness. We may soon have the capability to conduct these tests by computer simulation, but I do not believe we are there yet. The data presented leads me to believe we must maintain the ability to test these weapons, at least for a few more years. As our technological capabilities progress, this may very well change, and I will be willing to reexamine this position. However, for now, I believe it was necessary for our national defense to oppose the motion to table the Kyl amendment allowing continued and limited nuclear testing.

Mr. President, as Members of the Congress, our first constitutional duty is to pass legislation for the raising and support of our Armed Forces, just as the Federal Government's first duty is to provide for the common defense. My votes, I believe, serve that duty and further our national security goals.●

#### NATIONAL INSTITUTES OF HEALTH REVITALIZATION ACT OF 1996

The text of the bill (S. 1897) to amend the Public Health Service Act to revise and extend certain programs relating to the National Institutes of Health, and for other purposes; as passed by the Senate on September 26, 1996, is as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE; REFERENCES; AND TABLE OF CONTENTS

(a) SHORT TITLE.—This Act may be cited as the "National Institutes of Health Revitalization Act of 1996".

(b) REFERENCES.—Whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; references; and table of contents

#### TITLE I—PROVISIONS RELATING TO THE NATIONAL INSTITUTES OF HEALTH

Sec. 101. Director's discretionary fund.

Sec. 102. Children's vaccine initiative.



## TITLE II—PROVISIONS RELATING TO THE NATIONAL RESEARCH INSTITUTES

- Sec. 201. Research on osteoporosis, paget's disease, and related bone disorders.
- Sec. 202. National Human Genome Research Institute.
- Sec. 203. Increased amount of grant and other awards.
- Sec. 204. Meetings of advisory committees and councils.
- Sec. 205. Elimination or modification of reports.

## TITLE III—SPECIFIC INSTITUTES AND CENTERS

## Subtitle A—National Cancer Institute

- Sec. 301. Authorization of appropriations.
- Sec. 302. DES study.

## Subtitle B—National Heart Lung and Blood Institute

- Sec. 311. Authorization of appropriations.

## Subtitle C—National Institute of Allergy and Infectious Diseases

- Sec. 321. Terry Beirn community-based AIDS research initiative.

## Subtitle D—National Institute of Child Health and Human Development

- Sec. 331. Research centers for contraception and infertility.

## Subtitle E—National Institute on Aging

- Sec. 341. Authorization of appropriations.

## Subtitle F—National Institute on Alcohol Abuse and Alcoholism

- Sec. 351. Authorization of appropriations.
- Sec. 352. National Alcohol Research Center.

## Subtitle G—National Institute on Drug Abuse

- Sec. 361. Authorization of appropriations.
- Sec. 362. Medication development program.
- Sec. 363. Drug Abuse Research Centers.

## Subtitle H—National Institute of Mental Health

- Sec. 371. Authorization of appropriations.

## Subtitle I—National Center for Research Resources

- Sec. 381. Authorization of appropriations.
- Sec. 382. General Clinical Research Centers.
- Sec. 383. Enhancement awards.
- Sec. 384. Waiver of limitations.

## Subtitle J—National Library of Medicine

- Sec. 391. Authorization of appropriations.
- Sec. 392. Increasing the cap on grant amounts.

## TITLE IV—AWARDS AND TRAINING

- Sec. 401. Medical scientist training program.
- Sec. 402. Raise in maximum level of loan repayments.
- Sec. 403. General loan repayment program.
- Sec. 404. Clinical research assistance.

## TITLE V—RESEARCH WITH RESPECT TO AIDS

- Sec. 501. Comprehensive plan for expenditure of AIDS appropriations.
- Sec. 502. Emergency AIDS discretionary fund.

## TITLE VI—GENERAL PROVISIONS

## Subtitle A—Authority of the Director of NIH

- Sec. 601. Authority of the Director of NIH.

## Subtitle B—Office of Rare Disease Research

- Sec. 611. Establishment of Office for Rare Disease Research.

## Subtitle C—Certain Reauthorizations

- Sec. 621. National Research Service Awards.
- Sec. 622. National Foundation for Biomedical Research.

## Subtitle D—Miscellaneous Provisions

- Sec. 631. Establishment of National Fund for Health Research.
- Sec. 632. Definition of clinical research.

- Sec. 633. Establishment of a pediatric research initiative.

- Sec. 634. Diabetes research.

- Sec. 635. Parkinson's research.

- Sec. 636. Pain research consortium.

## Subtitle E—Repeals and Conforming Amendments

- Sec. 641. Repeals and conforming amendments.

## TITLE I—PROVISIONS RELATING TO THE NATIONAL INSTITUTES OF HEALTH

## SEC. 101. DIRECTOR'S DISCRETIONARY FUND.

Section 402(i)(3) (42 U.S.C. 282(i)(3)) is amended by striking "\$25,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

## SEC. 102. CHILDREN'S VACCINE INITIATIVE.

Section 404B(c) (42 U.S.C. 283d(c)) is amended by striking "\$20,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

## TITLE II—PROVISIONS RELATING TO THE NATIONAL RESEARCH INSTITUTES

## SEC. 201. RESEARCH ON OSTEOPOROSIS, PAGET'S DISEASE, AND RELATED BONE DISORDERS.

Section 409A(d) (42 U.S.C. 284e(d)) is amended by striking "\$40,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

## SEC. 202. NATIONAL HUMAN GENOME RESEARCH INSTITUTE.

(a) IN GENERAL.—Part C of title IV (42 U.S.C. 285 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 18—National Human Genome Research Institute

## "SEC. 464Z. PURPOSE OF THE INSTITUTE.

"(a) IN GENERAL.—The general purpose of the National Human Genome Research Institute is to characterize the structure and function of the human genome, including the mapping and sequencing of individual genes. Such purpose includes—

"(1) planning and coordinating the research goal of the genome project;

"(2) reviewing and funding research proposals;

"(3) conducting and supporting research training;

"(4) coordinating international genome research;

"(5) communicating advances in genome science to the public;

"(6) reviewing and funding proposals to address the ethical, legal, and social issues associated with the genome project (including legal issues regarding patents); and

"(7) planning and administering intramural, collaborative, and field research to study human genetic disease.

"(b) RESEARCH.—The Director of the Institute may conduct and support research training—

"(1) for which fellowship support is not provided under section 487; and

"(2) that is not residency training of physicians or other health professionals.

"(c) ETHICAL, LEGAL, AND SOCIAL ISSUES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), of the amounts appropriated to carry out subsection (a) for a fiscal year, the Director of the Institute shall make available not less than 5 percent of amounts made available for extramural research for carrying out paragraph (6) of such subsection.

"(2) NONAPPLICATION.—With respect to providing funds under subsection (a)(6) for proposals to address the ethical issues associated with the genome project, paragraph (1) shall not apply for a fiscal year if the Direc-

tor of the Institute certifies to the Committee on Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, that the Director has determined that an insufficient number of such proposals meet the applicable requirements of sections 491 and 492.

"(d) TRANSFER.—

"(1) IN GENERAL.—There are transferred to the National Human Genome Research Institute all functions which the National Center for Human Genome Research exercised before the date of enactment of this subpart, including all related functions of any officer or employee of the National Center for Human Genome Research. The personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred under this subsection shall be transferred to the National Human Genome Research Institute.

"(2) LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, regulations, privileges, and other administrative actions which have been issued, made, granted, or allowed to become effective in the performance of functions which are transferred under this subsection shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law.

"(3) REFERENCES.—References in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to the National Center for Human Genome Research shall be deemed to refer to the National Human Genome Research Institute.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for fiscal year 1997."

(b) CONFORMING AMENDMENTS.—

(1) Section 401(b) (42 U.S.C. 281(b)) is amended—

(A) in paragraph (1), by adding at the end thereof the following new subparagraph:

"(R) The National Human Genome Research Institute."; and

(B) in paragraph (2)—

(i) by striking subparagraph (D); and

(ii) by redesignating subparagraph (E) as subparagraph (D).

(2) Subpart 3 of part E of title IV (42 U.S.C. 287c et seq.) is repealed.

## SEC. 203. INCREASED AMOUNT OF GRANT AND OTHER AWARDS.

Section 405(b)(2)(B) (42 U.S.C. 284(b)(2)(B)) is amended—

(1) in clause (i), by striking "\$50,000" and inserting "\$100,000"; and

(2) in clause (ii), by striking "\$50,000" and inserting "\$100,000".

## SEC. 204. MEETINGS OF ADVISORY COMMITTEES AND COUNCILS.

(a) IN GENERAL.—Section 406 (42 U.S.C. 284a) is amended—

(1) in subsection (e), by striking " , but at least three times each fiscal year"; and

(2) in subsection (h)(2)—

(A) in subparagraph (A)—

(i) in clause (iv), by adding "and" after the semicolon;

(ii) in clause (v), by striking " ; and" and inserting a period; and

(iii) by striking clause (vi); and

(B) in subparagraph (B), by striking " , except" and all that follows through "year".

(b) PRESIDENT'S CANCER PANEL.—Section 415(a)(3) (42 U.S.C. 285a-4(a)(3)) is amended by striking " , but not less often than four times a year".

(c) INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES INTERAGENCY COORDINATING COMMITTEES.—Section 429(b) (42 U.S.C. 285c-3(b)) is amended by striking “, but not less often than four times a year”.

(d) INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES INTERAGENCY COORDINATING COMMITTEES.—Section 439(b) (42 U.S.C. 285d-4(b)) is amended by striking “, but not less often than four times a year”.

(e) INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS INTERAGENCY COORDINATING COMMITTEES.—Section 464E(d) (42 U.S.C. 285m-5(d)) is amended by striking “, but not less often than four times a year”.

(f) INSTITUTE OF NURSING RESEARCH ADVISORY COUNCIL.—Section 464X(e) (42 U.S.C. 285q-2(e)) is amended by striking “, but at least three times each fiscal year”.

(g) CENTER FOR RESEARCH RESOURCES ADVISORY COUNCIL.—Section 480(e) (42 U.S.C. 287a(e)) is amended by striking “, but at least three times each fiscal year”.

(h) APPLICATION OF FACCA.—Part B of title IV (42 U.S.C. 284 et seq.) is amended by adding at the end thereof the following new section:

**“SEC. 409B. APPLICATION OF FEDERAL ADVISORY COMMITTEE ACT.**

“Notwithstanding any other provision of law, the provisions of the Federal Advisory Committee Act (5 U.S.C. App. 2) shall not apply to a scientific or technical peer review group, established under this title.”.

**SEC. 205. ELIMINATION OR MODIFICATION OF REPORTS.**

(a) PUBLIC HEALTH SERVICE ACT REPORTS.—The following provisions of the Public Health Service Act are repealed:

(1) Section 403 (42 U.S.C. 283) relating to the biennial report of the Director of the National Institutes of Health to Congress and the President.

(2) Subsection (c) of section 439 (42 U.S.C. 285d-4(c)) relating to the annual report of the Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee and the annual report of the Skin Diseases Interagency Coordinating Committee.

(3) Subsection (j) of section 442 (42 U.S.C. 285d-7(j)) relating to the annual report of the National Arthritis and Musculoskeletal and Skin Diseases Advisory Board.

(4) Subsection (b) of section 494A (42 U.S.C. 289c-1(b)) relating to the annual report of the Secretary of Health and Human Services on health services research relating to alcohol abuse and alcoholism, drug abuse, and mental health.

(5) Subsection (b) of section 503 (42 U.S.C. 290aa-2(b)) relating to the triennial report of the Secretary of Health and Human Services to Congress.

(b) REPORT ON DISEASE PREVENTION.—Section 402(f)(3) (42 U.S.C. 282(f)(3)) is amended by striking “annually” and inserting “biennially”.

(c) REPORTS OF THE COORDINATING COMMITTEES ON DIGESTIVE DISEASES, DIABETES MELLITUS, AND KIDNEY, UROLOGIC AND HEMATOLOGIC DISEASES.—Section 429 (42 U.S.C. 285c-3) is amended by striking subsection (c).

(d) REPORT OF THE TASK FORCE ON AGING RESEARCH.—Section 304 of the Home Health Care and Alzheimer's Disease Amendments of 1990 (42 U.S.C. 242q-3) is repealed.

(e) SUDDEN INFANT DEATH SYNDROME RESEARCH.—Section 1122 (42 U.S.C. 300c-12) is amended—

(1) in subsection (a)—

(A) by striking the subsection designation and heading; and

(B) by striking “of the type” and all that follows through “adequate,” and insert “, such amounts each year as will be adequate for research which relates generally to sudden infant death syndrome, including high-

risk pregnancy and high-risk infancy research which directly relates to sudden infant death syndrome, and to the relationship of the high-risk pregnancy and high-risk infancy research to sudden infant death syndrome.”; and

(2) by striking subsections (b) and (c).

(f) U.S.-JAPAN COOPERATIVE MEDICAL SCIENCE PROGRAM.—Subsection (h) of section 5 of the International Health Research Act of 1960 is repealed.

(g) BIOENGINEERING RESEARCH.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Commerce of the House of Representatives, a report containing specific plans and timeframes on how the Director will implement the findings and recommendations of the report to Congress entitled “Support for Bioengineering Research” (submitted in August of 1995 in accordance with section 1912 of the National Institutes of Health Revitalization Act of 1993 (42 U.S.C. 282 note)).

(h) CONFORMING AMENDMENTS.—Title IV is amended—

(1) in section 404C(c) (42 U.S.C. 283e(c)), by striking “included” and all that follows through the period and inserting “made available to the committee established under subsection (e) and included in the official minutes of the committee”;

(2) in section 404E(d)(3)(B) (42 U.S.C. 283g(d)(3)(B)), by striking “for inclusion in the biennial report under section 403”;

(3) in section 406(g) (42 U.S.C. 284a(g))—

(A) by striking “for inclusion in the biennial report made under section 407” and inserting “as it may determine appropriate”; and

(B) by striking the second sentence;

(4) in section 407 (42 U.S.C. 284b)—

(A) in the section heading, to read as follows:

“REPORTS”;

and

(B) by striking “shall prepare for inclusion in the biennial report made under section 403 a biennial” and inserting “may prepare a”;

(5) in section 416(b) (42 U.S.C. 285a-5(b)) by striking “407” and inserting “402(f)(3)”;

(6) in section 417 (42 U.S.C. 285a-6), by striking subsection (e);

(7) in section 423(b) (42 U.S.C. 285b-6(b)), by striking “407” and inserting “402(f)(3)”;

(8) by striking section 433 (42 U.S.C. 285c-7);

(9) in section 451(b) (42 U.S.C. 285g-3(b)), by striking “407” and inserting “402(f)(3)”;

(10) in section 452(d) (42 U.S.C. 285g-4(d))—

(A) in paragraph (3)—

(i) in subparagraph (A), by striking “(A) Not” and inserting “Not”; and

(ii) by striking subparagraph (B); and

(B) in the last sentence of paragraph (4), by striking “contained” and all that follows through the period and inserting “transmitted to the Director of NIH.”;

(11) in section 464I(b) (42 U.S.C. 285n-1(b)), by striking “407” and inserting “402(f)(3)”;

(12) in section 464M(b) (42 U.S.C. 285o-1(b)), by striking “407” and inserting “402(f)(3)”;

(13) in section 464S(b) (42 U.S.C. 285p-1(b)), by striking “407” and inserting “402(f)(3)”;

(14) in section 464X(g) (42 U.S.C. 285q-2(g)) is amended—

(A) by striking “for inclusion in the biennial report made under section 464Y” and inserting “as it may determine appropriate”; and

(B) by striking the second sentence;

(15) in section 464Y (42 U.S.C. 285q-3)—

(A) in the section heading, to read as follows:

“REPORTS”;

and

(B) by striking “shall prepare for inclusion in the biennial report made under section 403 a biennial” and inserting “may prepare a”;

(16) in section 480(g) (42 U.S.C. 287a(g))—

(A) by striking “for inclusion in the biennial report made under section 481” and inserting “as it may determine appropriate”; and

(B) by striking the second sentence;

(17) in section 481 (42 U.S.C. 287a-1)—

(A) in the section heading, to read as follows:

“REPORTS”;

and

(B) by striking “shall prepare for inclusion in the biennial report made under section 403 a biennial” and inserting “may prepare a”;

(18) in section 486(d)(5)(B) (42 U.S.C. 287d(d)(5)(B)), by striking “for inclusion in the report required in section 403”;

(19) in section 486B (42 U.S.C. 287d-2) by striking subsection (b) and inserting the following new subsection:

“(b) SUBMISSION.—The Director of the Office shall submit each report prepared under subsection (a) to the Director of NIH.”; and

(20) in section 492B(f) (42 U.S.C. 289a-2(f)), by striking “for inclusion” and all that follows through the period and inserting “and the Director of NIH.”.

**TITLE III—SPECIFIC INSTITUTES AND CENTERS**

**Subtitle A—National Cancer Institute**

**SEC. 301. AUTHORIZATION OF APPROPRIATIONS.**

Section 417B (42 U.S.C. 286a-8) is amended—

(1) in subsection (a), by striking “\$2,728,000,000” and all that follows through the period and inserting “\$3,000,000,000 for fiscal year 1997.”;

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in the first sentence of subparagraph (A), by striking “\$225,000,000” and all that follows through the first period and inserting “such sums as may be necessary for fiscal year 1997.”; and

(ii) in the first sentence of subparagraph (B), by striking “\$100,000,000” and all that follows through the first period and inserting “such sums as may be necessary for fiscal year 1997.”; and

(B) in the first sentence of paragraph (2), by striking “\$75,000,000” and all that follows through the first period and inserting “such sums as may be necessary for fiscal year 1997.”; and

(3) in the first sentence of subsection (c), by striking “\$72,000,000” and all that follows through the first period and inserting “such sums as may be necessary for fiscal year 1997.”.

**SEC. 302. DES STUDY.**

Section 403A(e) (42 U.S.C. 283a(e)) is amended by striking “1996” and inserting “1997”.

**Subtitle B—National Heart Lung and Blood Institute**

**SEC. 311. AUTHORIZATION OF APPROPRIATIONS.**

Section 425 (42 U.S.C. 285b-8) is amended by striking “\$1,500,000,000” and all that follows through the period and inserting “\$1,600,000,000 for fiscal year 1997.”.

**Subtitle C—National Institute of Allergy and Infectious Diseases**

**SEC. 321. TERRY BEIRN COMMUNITY-BASED AIDS RESEARCH INITIATIVE.**

Section 2313(e) (42 U.S.C. 300cc-13(e)) is amended—

(1) in paragraph (1), by striking “1996” and inserting “1997”; and

(2) in paragraph (2), by striking “1996” and inserting “1997”.

**Subtitle D—National Institute of Child Health and Human Development**

**SEC. 331. RESEARCH CENTERS FOR CONTRACEPTION AND INFERTILITY.**

Section 452A(g) (42 U.S.C. 285g-5(g)) is amended by striking "\$30,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

**Subtitle E—National Institute on Aging**

**SEC. 341. AUTHORIZATION OF APPROPRIATIONS.**

Section 445I (42 U.S.C. 285e-11) is amended by striking "\$500,000,000" and all that follows through the period and inserting "\$550,000,000 for fiscal year 1997."

**Subtitle F—National Institute on Alcohol Abuse and Alcoholism**

**SEC. 351. AUTHORIZATION OF APPROPRIATIONS.**

Section 464H(d)(1) (42 U.S.C. 285n(d)(1)) is amended by striking "300,000,000" and all that follows through the period and inserting "\$330,000,000 for fiscal year 1997."

**SEC. 352. NATIONAL ALCOHOL RESEARCH CENTER.**

Section 464J(b) (42 U.S.C. 285n-2(b)) is amended—

- (1) by striking "(b) The" and inserting "(b)(1) The";
- (2) by striking the third sentence; and
- (3) by adding at the end thereof the following new paragraph:

"(2) As used in paragraph (1), the terms 'construction' and 'cost of construction' include—

"(A) the construction of new buildings, the expansion of existing buildings, and the acquisition, remodeling, replacement, renovation, major repair (to the extent permitted by regulations), or alteration of existing buildings, including architects' fees, but not including the cost of the acquisition of land or offsite improvements; and

"(B) the initial equipping of new buildings and of the expanded, remodeled, repaired, renovated, or altered part of existing buildings; except that

such term shall not include the construction or cost of construction of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship."

**Subtitle G—National Institute on Drug Abuse**

**SEC. 361. AUTHORIZATION OF APPROPRIATIONS.**

Section 464L(d)(1) (42 U.S.C. 285o(d)(1)) is amended by striking "\$440,000,000" and all that follows through the period and inserting "\$500,000,000 for fiscal year 1997."

**SEC. 362. MEDICATION DEVELOPMENT PROGRAM.**

Section 464P(e) (42 U.S.C. 285o-4(e)) is amended by striking "\$85,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

**SEC. 363. DRUG ABUSE RESEARCH CENTERS.**

Section 464N(b) (42 U.S.C. 285o-2(b)) is amended—

- (1) by striking "(b) The" and inserting "(b)(1) The";
- (2) by striking the last sentence; and
- (3) by adding at the end thereof the following new paragraph:

"(2) As used in paragraph (1), the terms 'construction' and 'cost of construction' include—

"(A) the construction of new buildings, the expansion of existing buildings, and the acquisition, remodeling, replacement, renovation, major repair (to the extent permitted by regulations), or alteration of existing buildings, including architects' fees, but not including the cost of the acquisition of land or offsite improvements; and

"(B) the initial equipping of new buildings and of the expanded, remodeled, repaired, renovated, or altered part of existing buildings; except that

such term does not include the construction or cost of construction of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship."

**Subtitle H—National Institute of Mental Health**

**SEC. 371. AUTHORIZATION OF APPROPRIATIONS.**

Section 464R(f)(1) (42 U.S.C. 285p(f)(1)) is amended by striking "\$675,000,000" and all that follows through the period and inserting "\$750,000,000 for fiscal year 1997."

**Subtitle I—National Center for Research Resources**

**SEC. 381. AUTHORIZATION OF APPROPRIATIONS.**

(a) GENERAL AUTHORIZATION.—Section 481A(h) (42 U.S.C. 287a-2(h)) is amended by striking "\$150,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

(b) RESERVATION FOR CONSTRUCTION OF REGIONAL CENTERS.—Section 481B(a) (42 U.S.C. 287a-3(a)) is amended—

- (1) by striking "shall" and inserting "may";
- (2) by striking "through 1996" and inserting "through 1997"; and
- (3) by striking "\$5,000,000" and inserting "such sums as may be necessary for each such fiscal year."

**SEC. 382. GENERAL CLINICAL RESEARCH CENTERS.**

Part B of title IV (42 U.S.C. 284 et seq.), as amended by section 205(h), is further amended by adding at the end thereof the following new section:

**"SEC. 409C. GENERAL CLINICAL RESEARCH CENTERS.**

"(a) GRANTS.—The Director of the National Center for Research Resources shall award grants for the establishment of general clinical research centers to provide the infrastructure for clinical research including clinical research training and career enhancement. Such centers shall support clinical studies and career development in all settings of the hospital or academic medical center involved.

"(b) ACTIVITIES.—In carrying out subsection (a), the Director of NIH shall expand the activities of the general clinical research centers through the increased use of telecommunications and telemedicine initiatives.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under subsection (a), such sums as may be necessary for each of the fiscal years 1996 and 1997."

**SEC. 383. ENHANCEMENT AWARDS.**

Part B of title IV (42 U.S.C. 284 et seq.), as amended by sections 205(h) and 382, is further amended by adding at the end thereof the following new section:

**"SEC. 409D. ENHANCEMENT AWARDS.**

"(a) CLINICAL RESEARCH CAREER ENHANCEMENT AWARD.—

"(1) IN GENERAL.—The Director of the National Center for Research Resources shall make grants (to be referred to as 'clinical research career enhancement awards') to support individual careers in clinical research.

"(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director may require.

"(3) LIMITATIONS.—The amount of a grant under this subsection shall not exceed \$130,000 per year per grant. Grants shall be for terms of 5 years. The Director shall award not more than 20 grants in the first fiscal year in which grants are awarded under this subsection. The total number of grants awarded under this subsection for the first and second fiscal years in which grants such are awarded shall not exceed 40 grants.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under paragraph (1), such sums as may be necessary for fiscal year 1997.

**"(b) INNOVATIVE MEDICAL SCIENCE AWARD.—**

"(1) IN GENERAL.—The Director of the National Center for Research Resources shall make grants (to be referred to as 'innovative medical science awards') to support individual clinical research projects.

"(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director requires.

"(3) LIMITATIONS.—The amount of a grant under this subsection shall not exceed \$100,000 per year per grant.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under paragraph (1), such sums as may be necessary for fiscal year 1997.

"(c) PEER REVIEW.—The Director of NIH, in cooperation with the Director of the National Center for Research Resources, shall establish peer review mechanisms to evaluate applications for clinical research fellowships, clinical research career enhancement awards, and innovative medical science award programs. Such review mechanisms shall include individuals who are exceptionally qualified to appraise the merits of potential clinical research trainees."

**SEC. 384. WAIVER OF LIMITATIONS.**

Section 481A (42 U.S.C. 287a-2) is amended—

- (1) in subsection (b)(3)(A), by striking "9" and inserting "12";
- (2) in subsection (e)—
  - (A) in paragraph (1)—
    - (i) in subparagraph (A), by striking "50" and inserting "40"; and
    - (ii) in subparagraph (B), by striking "40" and inserting "30"; and
  - (B) in paragraph (4), by striking "for applicants meeting the conditions described in paragraphs (1) and (2) of subsection (c)"; and
- (3) in subsection (h), by striking "\$150,000,000" and all that follows through "1996" and inserting "such sums as may be necessary for fiscal year 1997."

**Subtitle J—National Library of Medicine**

**SEC. 391. AUTHORIZATION OF APPROPRIATIONS.**

Section 468(a) (42 U.S.C. 286a-2(a)) is amended by striking "\$150,000,000" and all that follows through the period and inserting "\$160,000,000 for fiscal year 1997."

**SEC. 392. INCREASING THE CAP ON GRANT AMOUNTS.**

Section 474(b)(2) (42 U.S.C. 286b-5(b)(2)) is amended by striking "\$1,000,000" and inserting "\$1,250,000."

**TITLE IV—AWARDS AND TRAINING**

**SEC. 401. MEDICAL SCIENTIST TRAINING PROGRAM.**

(a) EXPANSION OF PROGRAM.—Notwithstanding any other provision of law, the Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall expand the Medical Scientist Training Program to include fields that will contribute to training clinical investigators in the skills of performing patient-oriented clinical research.

(b) DESIGNATION OF SLOTS.—In carrying out subsection (a), the Director of the National Institutes of Health shall designate a specific percentage of positions under the Medical Scientist Training Program for use with respect to the pursuit of a Ph.D. degree in the disciplines of economics, epidemiology, public health, bioengineering, biostatistics and bioethics, and other fields determined appropriate by the Director.

**SEC. 402. RAISE IN MAXIMUM LEVEL OF LOAN REPAYMENTS.**

(a) REPAYMENT PROGRAMS WITH RESPECT TO AIDS.—Section 487A (42 U.S.C. 288-1) is amended—

(1) in subsection (a), by striking "\$20,000" and inserting "\$35,000"; and

(2) in subsection (c), by striking "1996" and inserting "1997".

(b) REPAYMENT PROGRAMS WITH RESPECT TO CONTRACEPTION AND INFERTILITY.—Section 487B(a) (42 U.S.C. 288-2(a)) is amended by striking "\$20,000" and inserting "\$35,000".

(c) REPAYMENT PROGRAMS WITH RESPECT TO RESEARCH GENERALLY.—Section 487C(a)(1) (42 U.S.C. 288-3(a)(1)) is amended by striking "\$20,000" and inserting "\$35,000".

(d) REPAYMENT PROGRAMS WITH RESPECT TO CLINICAL RESEARCHERS FROM DISADVANTAGED BACKGROUNDS.—Section 487E(a) (42 U.S.C. 288-5(a)) is amended—

(1) in paragraph (1), by striking "\$20,000" and inserting "\$35,000"; and

(2) in paragraph (3), by striking "338C" and inserting "338B, 338C".

**SEC. 403. GENERAL LOAN REPAYMENT PROGRAM.**

Part G of title IV (42 U.S.C. 288 et seq.) is amended by inserting after section 487E, the following new section:

**"SEC. 487F. GENERAL LOAN REPAYMENT PROGRAM.**

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary, acting through the Director of NIH, shall carry out a program of entering into agreements with appropriately qualified health professionals under which such health professionals agree to conduct research with respect to the areas identified under paragraph (2) in consideration of the Federal Government agreeing to repay, for each year of such service, not more than \$35,000 of the principal and interest of the educational loans of such health professionals.

"(2) RESEARCH AREAS.—In carrying out the program under paragraph (1), the Director of NIH shall annually identify areas of research for which loan repayments made be awarded under paragraph (1).

"(3) TERM OF AGREEMENT.—A loan repayment agreement under paragraph (1) shall be for a minimum of two years.

"(b) APPLICABILITY OF CERTAIN PROVISIONS.—With respect to the National Health Service Corps Loan Repayment Program established in subpart III of part D of title III, the provisions of such subpart shall, except as inconsistent with subsection (a) of this section, apply to the program established in such subsection (a) in the same manner and to the same extent as such provisions apply to the National Health Service Corps Loan Repayment Program established in such subpart.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for fiscal year 1997."

**SEC. 404. CLINICAL RESEARCH ASSISTANCE.**

(a) NATIONAL RESEARCH SERVICE AWARDS.—Section 487(a)(1)(C) (42 U.S.C. 288(a)(1)(C)) is amended—

(1) by striking "50 such" and inserting "100 such"; and

(2) by striking "1996" and inserting "1997".

(b) LOAN REPAYMENT PROGRAM.—Section 487E (42 U.S.C. 288-5) is amended—

(1) in the section heading, by striking "FROM DISADVANTAGED BACKGROUNDS";

(2) in subsection (a)(1), by striking "who are from disadvantaged backgrounds";

(3) in subsection (b)—

(A) by striking "Amounts" and inserting the following:

"(1) IN GENERAL.—Amounts"; and

(B) by adding at the end thereof the following new paragraph:

"(2) DISADVANTAGED BACKGROUNDS SET-ASIDE.—In carrying out this section, the Secretary shall ensure that not less than 50 percent of the amounts appropriated for a fiscal year are used for contracts involving those appropriately qualified health professionals who are from disadvantaged backgrounds."; and

(4) by adding at the end thereof the following new subsections:

"(c) CLINICAL RESEARCH TRAINING POSITION.—A position shall be considered a clinical research training position under subsection (a)(1) if such position involves an individual serving in a general clinical research center or other organizations and institutions determined to be appropriate by the Director of NIH, or a physician receiving a clinical research career enhancement award or NIH intramural research fellowship.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each fiscal year."

**TITLE V—RESEARCH WITH RESPECT TO AIDS****SEC. 501. COMPREHENSIVE PLAN FOR EXPENDITURE OF AIDS APPROPRIATIONS.**

Section 2353(d)(1) (42 U.S.C. 300cc-40b(d)(1)) is amended by striking "through 1996" and inserting "through 1997".

**SEC. 502. EMERGENCY AIDS DISCRETIONARY FUND.**

Section 2356(g)(1) (42 U.S.C. 300cc-43(g)(1)) is amended by striking "\$100,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

**TITLE VI—GENERAL PROVISIONS****Subtitle A—Authority of the Director of NIH****SEC. 601. AUTHORITY OF THE DIRECTOR OF NIH.**

Section 402(b) (42 U.S.C. 282(b)) is amended—

(1) in paragraph (11), by striking "and" at the end thereof;

(2) in paragraph (12), by striking the period and inserting a semicolon; and

(3) by adding after paragraph (12), the following new paragraphs:

"(13) may conduct and support research training—

"(A) for which fellowship support is not provided under section 487; and

"(B) which does not consist of residency training of physicians or other health professionals; and

"(14) may appoint physicians, dentists, and other health care professionals, subject to the provisions of title 5, United States Code, relating to appointments and classifications in the competitive service, and may compensate such professionals subject to the provisions of chapter 74 of title 38, United States Code."

**Subtitle B—Office of Rare Disease Research****SEC. 611. ESTABLISHMENT OF OFFICE FOR RARE DISEASE RESEARCH.**

Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end thereof the following new section:

**"SEC. 404F. OFFICE FOR RARE DISEASE RESEARCH.**

"(a) ESTABLISHMENT.—There is established within the Office of the Director of the National Institutes of Health an office to be known as the Office for Rare Disease Research (in this section referred to as the 'Office'). The Office shall be headed by a director, who shall be appointed by the Director of the National Institutes of Health.

"(b) PURPOSE.—The purpose of the Office is to promote and coordinate the conduct of research on rare diseases through a strategic research plan and to establish and manage a rare disease research clinical database.

"(c) ADVISORY COUNCIL.—The Secretary shall establish an advisory council for the purpose of providing advice to the director of the Office concerning carrying out the strategic research plan and other duties under this section. Section 222 shall apply to such council to the same extent and in the same manner as such section applies to committees or councils established under such section.

"(d) DUTIES.—In carrying out subsection (b), the director of the Office shall—

"(1) develop a comprehensive plan for the conduct and support of research on rare diseases;

"(2) coordinate and disseminate information among the institutes and the public on rare diseases;

"(3) support research training and encourage the participation of a diversity of individuals in the conduct of rare disease research;

"(4) identify projects or research on rare diseases that should be conducted or supported by the National Institutes of Health;

"(5) develop and maintain a central database on current government sponsored clinical research projects for rare diseases;

"(6) determine the need for registries of research subjects and epidemiological studies of rare disease populations; and

"(7) prepare biennial reports on the activities carried out or to be carried out by the Office and submit such reports to the Secretary and the Congress."

**Subtitle C—Certain Reauthorizations****SEC. 621. NATIONAL RESEARCH SERVICE AWARDS.**

Section 487(d) (42 U.S.C. 288(d)) is amended by striking "\$400,000,000" and all that follows through the first period and inserting "such sums as may be necessary for fiscal year 1997."

**SEC. 622. NATIONAL FOUNDATION FOR BIO-MEDICAL RESEARCH.**

Section 499(m)(1) (42 U.S.C. 290b(m)(1)) is amended by striking "an aggregate" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

**Subtitle D—Miscellaneous Provisions****SEC. 631. ESTABLISHMENT OF NATIONAL FUND FOR HEALTH RESEARCH.**

Part A of title IV (42 U.S.C. 281 et seq.), as amended by section 611, is further amended by adding at the end thereof the following new section:

**"SEC. 404G. ESTABLISHMENT OF NATIONAL FUND FOR HEALTH RESEARCH.**

"(a) ESTABLISHMENT.—There is established in the Treasury of the United States a fund, to be known as the 'National Fund for Health Research' (hereafter in this section referred to as the 'Fund'), consisting of such amounts as are transferred to the Fund and any interest earned on investment of amounts in the Fund.

"(b) OBLIGATIONS FROM FUND.—

"(1) IN GENERAL.—Subject to the provisions of paragraph (2), with respect to the amounts made available in the Fund in a fiscal year, the Secretary shall distribute all of such amounts during any fiscal year to research institutes and centers of the National Institutes of Health in the same proportion to the total amount received under this section, as the amount of annual appropriations under appropriations Acts for each member institute and centers for the fiscal year bears to the total amount of appropriations under appropriations Acts for all research institutes and centers of the National Institutes of Health for the fiscal year.

"(2) TRIGGER AND RELEASE OF MONIES.—No expenditure shall be made under paragraph (1) during any fiscal year in which the annual amount appropriated for the National

Institutes of Health is less than the amount so appropriated for the prior fiscal year.”.

#### SEC. 632. DEFINITION OF CLINICAL RESEARCH.

Part A of title IV (42 U.S.C. 281 et seq.) as amended by sections 611 and 631, is further amended by adding at the end thereof the following new section:

#### “SEC. 404H. DEFINITION OF CLINICAL RESEARCH.

“As used in this title, the term ‘clinical research’ means patient oriented clinical research conducted with human subjects, or research on the causes and consequences of disease in human populations, or on material of human origin (such as tissue specimens and cognitive phenomena) for which an investigator or colleague directly interacts with human subjects in an outpatient or inpatient setting to clarify a problem in human physiology, pathophysiology, or disease, epidemiologic or behavioral studies, outcomes research, or health services research.”.

#### SEC. 633. ESTABLISHMENT OF A PEDIATRIC RESEARCH INITIATIVE.

Part A of title IV (42 U.S.C. 281 et seq.), as amended by sections 611, 631, and 632, is further amended by adding at the end the following new section:

#### “SEC. 404I. PEDIATRIC RESEARCH INITIATIVE

“(a) ESTABLISHMENT.—The Secretary shall establish within the Office of the Director of NIH a Pediatric Research Initiative (hereafter in this section referred to as the ‘Initiative’). The Initiative shall be headed by the Director of NIH.

“(b) PURPOSE.—The purpose of the Initiative is to provide funds to enable the Director of NIH to encourage—

“(1) increased support for pediatric biomedical research within the National Institutes of Health to ensure that the expanding opportunities for advancement in scientific investigations and care for children are realized;

“(2) enhanced collaborative efforts among the Institutes to support multidisciplinary research in the areas that the Director deems most promising;

“(3) increased support for pediatric outcomes and medical effectiveness research to demonstrate how to improve the quality of children’s health care while reducing cost;

“(4) the development of adequate pediatric clinical trials and pediatric use information to promote the safer and more effective use of prescription drugs in the pediatric population; and

“(5) recognition of the special attention pediatric research deserves.

“(c) DUTIES.—In carrying out subsection (b), the Director of NIH shall—

“(1) consult with the Institutes and other advisors as the Director determines appropriate when considering the role of the Institute for Child Health and Human Development;

“(2) have broad discretion in the allocation of any Initiative assistance among the Institutes, among types of grants, and between basic and clinical research so long as the—

“(A) assistance is directly related to the illnesses and diseases of children; and

“(B) assistance is extramural in nature; and

“(3) be responsible for the oversight of any newly appropriated Initiative funds and be accountable with respect to such funds to Congress and to the public.

“(d) AUTHORIZATION.—There is authorized to be appropriated to carry out this section, \$50,000,000 for fiscal years 1997 through 1999.

“(e) TRANSFER OF FUNDS.—The Director of NIH may transfer amounts appropriated to any of the Institutes for a fiscal year to the Initiative to carry out this section.”.

#### SEC. 634. DIABETES RESEARCH.

(a) FINDINGS.—The Congress finds as follows:

(1) Diabetes is a serious health problem in America.

(2) More than 16,000,000 Americans suffer from diabetes.

(3) Diabetes is the fourth leading cause of death in America, taking the lives of more than 169,000 people annually.

(4) Diabetes disproportionately affects minority populations, especially African-Americans, Hispanics, and Native Americans.

(5) Diabetes is the leading cause of new blindness in adults over age 30.

(6) Diabetes is the leading cause of kidney failure requiring dialysis or transplantation, affecting more than 56,000 Americans each year.

(7) Diabetes is the leading cause of non-traumatic amputations, affecting 54,000 Americans each year.

(8) The cost of treating diabetes and its complications are staggering for our Nation.

(9) Diabetes accounted for health expenditures of \$105,000,000,000 in 1992.

(10) Diabetes accounts for over 14 percent of our Nation’s health care costs.

(11) Federal funds invested in diabetes research over the last two decades has led to significant advances and, according to leading scientists and endocrinologists, has brought the United States to the threshold of revolutionary discoveries which hold the potential to dramatically reduce the economic and social burden of this disease.

(12) The National Institute of Diabetes and Digestive and Kidney Diseases supports, in addition to many other areas of research, genetic research, islet cell transplantation research, and prevention and treatment clinical trials focusing on diabetes. Other research institutes within the National Institutes of Health conduct diabetes-related research focusing on its numerous complications, such as heart disease, eye and kidney problems, amputations, and diabetic neuropathy.

(b) INCREASED FUNDING REGARDING DIABETES.—With respect to the conduct and support of diabetes-related research by the National Institutes of Health, there are authorized to be appropriated for such purpose—

(1) for each of the fiscal years 1997 through 1999, an amount equal to the amount appropriated for such purpose for fiscal year 1996; and

(2) for the 3-fiscal year period beginning with fiscal year 1997, an additional amount equal to 25 percent of the amount appropriated for such purpose for fiscal year 1996.

#### SEC. 635. PARKINSON’S RESEARCH.

Part B of title IV (42 U.S.C. 284 et seq.), as amended by sections 204, 382 and 383, is further amended by adding at the end the following section:

#### “PARKINSON’S DISEASE

“SEC. 409E. (a) IN GENERAL.—The Director of NIH shall establish a program for the conduct and support of research and training with respect to Parkinson’s disease.

“(b) INTER-INSTITUTE COORDINATION.—

“(1) IN GENERAL.—The Director of NIH shall provide for the coordination of the program established under subsection (a) among all of the national research institutes conducting Parkinson’s research.

“(2) CONFERENCE.—Coordination under paragraph (1) shall include the convening of a research planning conference not less frequently than once every 2 years. Each such conference shall prepare and submit to the Committee on Appropriations and the Committee on Labor and Human Resources of the Senate and the Committee on Appropriations and the Committee on Commerce of the House of Representatives a report concerning the conference.

“(c) MORRIS K. UDALL RESEARCH CENTERS.—

“(1) IN GENERAL.—The Director of NIH shall award Core Center Grants to encourage the development of innovative multidisciplinary research and provide training concerning Parkinson’s. The Director shall award not more than 10 Core Center Grants and designate each center funded under such grants as a Morris K. Udall Center for Research on Parkinson’s Disease.

“(2) REQUIREMENTS.—

“(A) IN GENERAL.—With respect to Parkinson’s, each center assisted under this subsection shall—

“(i) use the facilities of a single institution or a consortium of cooperating institutions, and meet such qualifications as may be prescribed by the Director of the NIH; and

“(ii) conduct basic and clinical research.

“(B) DISCRETIONARY REQUIREMENTS.—With respect to Parkinson’s, each center assisted under this subsection may—

“(i) conduct training programs for scientists and health professionals;

“(ii) conduct programs to provide information and continuing education to health professionals;

“(iii) conduct programs for the dissemination of information to the public;

“(iv) separately or in collaboration with other centers, establish a nationwide data system derived from patient populations with Parkinson’s, and where possible, comparing relevant data involving general populations;

“(v) separately or in collaboration with other centers, establish a Parkinson’s Disease Information Clearinghouse to facilitate and enhance knowledge and understanding of Parkinson’s disease; and

“(vi) separately or in collaboration with other centers, establish a national education program that fosters a national focus on Parkinson’s and the care of those with Parkinson’s.

“(3) STIPENDS REGARDING TRAINING PROGRAMS.—A center may use funds provided under paragraph (1) to provide stipends for scientists and health professionals enrolled in training programs under paragraph (2)(B).

“(4) DURATION OF SUPPORT.—Support of a center under this subsection may be for a period not exceeding five years. Such period may be extended by the Director of NIH for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

“(d) MORRIS K. UDALL AWARDS FOR INNOVATION IN PARKINSON’S DISEASE RESEARCH.—The Director of NIH shall establish a grant program to support innovative proposals leading to significant breakthroughs in Parkinson’s research. Grants under this subsection shall be available to support outstanding neuroscientists and clinicians who bring innovative ideas to bear on the understanding of the pathogenesis, diagnosis and treatment of Parkinson’s disease.

“(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated \$80,000,000 for fiscal year 1997.”.

#### SEC. 636. PAIN RESEARCH CONSORTIUM.

(a) SHORT TITLE.—This section may be cited as the “Pain Research Consortium Act of 1996”.

(b) OPERATION.—Part E of title IV (42 U.S.C. 287 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 5—Pain Research Consortium"  
**"SEC. 485E. ESTABLISHMENT AND PURPOSE OF THE CONSORTIUM."**

"(a) ESTABLISHMENT.—The Director of NIH shall, subject to the availability of appropriations, and acting in cooperation with appropriate Institutes and with leading experts in pain research and treatment, establish within the National Institutes of Health, a Pain Research Consortium (hereafter referred to in this subpart as the 'Consortium')."

"(b) PURPOSE.—It is the purpose of the Pain Research Consortium to—

"(1) provide a structure for coordinating pain research activities;

"(2) facilitate communications among Federal and State governmental agencies and private sector organization (including extramural grantees) concerned with pain;

"(3) share information concerning research and related activities being conducted in the area of pain;

"(4) encourage the recruitment and retention of individuals desiring to conduct pain research;

"(5) develop collaborative pain research efforts;

"(6) avoid unnecessary duplication of pain research efforts; and

"(7) achieve a more efficient use of Federal and private sector research funds.

"(c) COMPOSITION.—The Consortium shall be composed of representatives of—

"(1) the National Institute of Neurological Disorders and Stroke;

"(2) the National Institute of Drug Abuse; (3) the National Institute of General Medical Sciences;

"(4) the National Institute of Dental Research;

"(5) the National Health, Lung, and Blood Institute;

"(6) the National Cancer Institute;

"(7) the National Institute of Mental Health;

"(8) the National Institute of Nursing Research;

"(9) the National Center for Research Resources;

"(10) the National Institute of Child Health and Human Development;

"(11) the National Institute of Arthritis and Musculoskeletal and Skin Diseases;

"(12) the National Institute on Aging;

"(13) pain management practitioners, which may include physicians, psychologists, physical medicine and rehabilitation service representatives (including physical therapists and occupational therapists), nurses, dentists, and chiropractors; and

"(14) patient advocacy groups.

"(d) ACTIVITIES.—The Consortium shall coordinate and support research, training, health information dissemination and related activities with respect to—

"(1) acute pain;

"(2) cancer and HIV-related pain;

"(3) back pain, headache pain, and facial pain; and

"(4) other painful conditions.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$5,000,000 for fiscal year 1997."

**Subtitle E—Repeals and Conforming Amendments**

**SEC. 641. REPEALS AND CONFORMING AMENDMENTS.**

(a) RENAMING OF DIVISION OF RESEARCH RESOURCES.—Section 403(5) (42 U.S.C. 283(5)) is amended by striking "Division of Research Resources" and inserting "National Center for Research Resources".

(b) RENAMING OF NATIONAL CENTER FOR NURSING RESEARCH.—

(1) Section 403(5) (42 U.S.C. 283(5)) is amended by striking "National Center for

Nursing Research" and inserting "National Institute of Nursing Research".

(2) Section 408(a)(2) (42 U.S.C. 284c(a)(2)) is amended by striking "National Center for Nursing Research" and inserting "National Institute of Nursing Research".

(c) RENAMING OF CHIEF MEDICAL DIRECTOR FOR VETERANS AFFAIRS.—

(1) Section 406 (42 U.S.C. 284a) is amended—

(A) in subsection (b)(2)(A), by striking "Chief Medical Director of the Department of Veterans Affairs or the Chief Dental Director of the Department of Veterans Affairs" and inserting "Under Secretary for Health of the Department of Veterans Affairs"; and

(B) in subsection (h)(2)(A)(v) by striking "Chief Medical Director of the Department of Veterans Affairs," and inserting "Under Secretary for Health of the Department of Veterans Affairs".

(2) Section 424(c)(3)(B)(x) (42 U.S.C. 285b-7(c)(3)(B)(x)) is amended by striking "Chief Medical Director of the Veterans' Administration" and inserting "Under Secretary for Health of the Department of Veterans Affairs".

(3) Section 429(b) (42 U.S.C. 285c-3(b)) is amended by striking "Chief Medical Director of the Veterans' Administration" and inserting "Under Secretary for Health of the Department of Veterans Affairs".

(4) Section 430(b)(2)(A)(i) (42 U.S.C. 285c-4(b)(2)(A)(i)) is amended by striking "Chief Medical Director of the Department of Veterans Affairs" and inserting "Under Secretary for Health of the Department of Veterans Affairs".

(5) Section 439(b) (42 U.S.C. 285d-4(b)) is amended by striking "Chief Medical Director of the Department of Veterans Affairs" and inserting "Under Secretary for Health of the Department of Veterans Affairs".

(6) Section 452(f)(3)(B)(xi) (42 U.S.C. 285g-4(f)(3)(B)(xi)) is amended by striking "Chief Medical Director of the Department of Veterans Affairs" and inserting "Under Secretary for Health of the Department of Veterans Affairs".

(7) Section 466(a)(1)(B) (42 U.S.C. 286a(a)(1)(B)) is amended by striking "Chief Medical Director of the Department of Veterans Affairs" and inserting "Under Secretary for Health of the Department of Veterans Affairs".

(8) Section 480(b)(2)(A) (42 U.S.C. 287a(b)(2)(A)) is amended by striking "Chief Medical Director of the Department of Veterans Affairs" and inserting "Under Secretary for Health of the Department of Veterans Affairs".

(b) ADVISORY COUNCILS.—Section 406(h) (42 U.S.C. 284a(h)) is amended—

(1) by striking paragraph (1); and

(2) in paragraph (2)—

(A) by striking "(2)(A) The" and inserting "(1) The";

(B) by redesignating subparagraph (B) as paragraph (2); and

(C) by redesignating clauses (i) through (vi) of paragraph (1) (as so redesignated) as subparagraphs (A) through (F), respectively.

(c) DIABETES AND DIGESTIVE AND KIDNEY DISORDERS ADVISORY BOARDS.—Section 430 (42 U.S.C. 285c-4) is repealed.

(d) NATIONAL ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES ADVISORY BOARD.—Section 442 (42 U.S.C. 285d-7) is repealed.

(e) RESEARCH CENTERS REGARDING CHRONIC FATIGUE SYNDROME.—Subpart 6 of part C of title IV (42 U.S.C. 285f et seq.) is amended by redesignating the second section 447 (42 U.S.C. 285f-1) as section 447A.

(f) NATIONAL INSTITUTE ON DEAFNESS ADVISORY BOARD.—Section 464D (42 U.S.C. 285m-4) is repealed.

(g) BIOMEDICAL AND BEHAVIORAL RESEARCH PERSONNEL STUDY.—Section 489 (42 U.S.C. 288b) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

(h) NATIONAL COMMISSION ON ALCOHOLISM AND OTHER ALCOHOL-RELATED PROBLEMS.—Section 18 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1979 (42 U.S.C. 4541 note) is repealed.

(i) ADVISORY COUNCIL ON HAZARDOUS SUBSTANCES RESEARCH AND TRAINING.—Section 311(a) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9660(a)) is amended—

(1) by striking paragraph (5); and

(2) in the last sentence of paragraph (6), by striking "the relevant Federal agencies referred to in subparagraph (A) of paragraph (5)" and inserting "relevant Federal agencies".

The PRESIDING OFFICER. The Senator from Oklahoma, the acting leader.

**SETTING THE TIME FOR COUNTING ELECTORAL VOTES**

Mr. NICKLES. Mr. President, I send to the desk a bill and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2158) to set the time for counting electoral votes.

Mr. NICKLES. Mr. President, I ask unanimous consent the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2158) was deemed read for a third time and passed, as follows:

S. 2158

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

In carrying out the procedure set forth in section 15 of title 3, United States Code, for 1997, "the 9th day of January" shall be substituted for "the sixth day of January" in the first sentence of such section.

**SETTING THE TIME FOR THE CONVENING OF THE 105TH CONGRESS**

Mr. NICKLES. Mr. President, I send a bill to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2159) to set the time for the convening of the 105th Congress.

Mr. NICKLES. Mr. President, I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2159) was deemed read for a third time and passed, as follows:

S. 2159

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

The 1st session of the 105th Congress shall convene at noon on January 7, 1997.

#### RELIEF OF OSCAR SALAS-VELAZQUEZ

Mr. NICKLES. I ask unanimous consent the Senate now proceed to consideration of H.R. 1031 which was received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1031) for the relief of Oscar Salas-Velazquez.

Mr. NICKLES. Mr. President, I ask unanimous consent the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1031) was deemed read for a third time and passed.

Mr. NICKLES. Mr. President, this is a bill that I know Congressman Ramstad and others have worked very hard on. I am pleased we were able to get it passed this evening.

#### NATIONAL DUCK CALLING DAY

Mr. NICKLES. Mr. President, I ask unanimous consent the Senate turn to the immediate consideration of Senate Resolution 305, a resolution submitted earlier today by Senators PRYOR, BUMPERS, JOHNSTON, BREAUX, and FORD.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 305) to designate Saturday, November 30, 1996, as "National Duck Calling Day."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. NICKLES. I ask unanimous consent the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 305) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 305

Whereas Stuttgart, Arkansas, with its flooded rice and soybean fields, is located in the heart of the Mississippi River flyway for migratory birds;

Whereas for the past 60 years, the World's Championship Duck Calling Contest and the Wings Over the Prairie Festival have at-

tached waterfowl enthusiasts from around the world to come to Stuttgart, Arkansas, on Thanksgiving Day weekend;

Whereas the first national duck calling contest was held on November 24, 1936, as part of the traditional Rice Carnival in downtown Stuttgart;

Whereas Thomas E. Walsh of Greenville, Mississippi, was the first national duck calling contest champion, and was awarded a hunting coat valued at \$6.60 for his achievement;

Whereas today, the World's Championship Duck Calling Contest draws contestants from throughout the United States and Canada, with a first place prize package valued at over \$15,000;

Whereas in order to enter the World's Championship Duck Calling Contest a contestant must qualify by winning a World's Championship Duck Calling Contest sanctioned calling contest, which are held in 29 states;

Whereas over the history of the World's Championship Duck Calling Contest attendance at the event has steadily grown; the number of participants has jumped from 10,000 in 1954, to 50,000 in 1992, to 65,000 in 1995: Now, therefore, be it

*Resolved*, That the Senate designates Saturday, November 30, 1996, as "National Duck Calling Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

#### CODIFYING LAWS RELATED TO TRANSPORTATION AND TO IMPROVE THE UNITED STATES CODE

Mr. NICKLES. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 2297 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2297) to codify without substantive change laws related to transportation and to improve the United States Code.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. NICKLES. Mr. President, I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2297) was deemed read the third time and passed.

#### CORRECTING ENROLLMENT OF H.R. 3159

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. Con. Res. 221, which was received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 221) correcting the enrollment of H.R. 3159.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. NICKLES. Mr. President, I ask unanimous consent that the resolution be deemed agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 221) was agreed to.

#### ESTABLISHING NATIONAL TOURISM BOARD AND NATIONAL TOURISM ORGANIZATION

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 2579, received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2579) to establish the National Tourism Board and National Tourism Organization to promote international tourism to the United States.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. NICKLES. Mr. President, I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2579) was deemed read the third time and passed.

#### NATIONAL FILM PRESERVATION ACT OF 1996

Mr. NICKLES. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 1734 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1734) to reauthorize the National Film Preservation Board, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, I am pleased that the Senate is today passing and sending to the President for his signature, the National Film Preservation Act of 1996 to reauthorize and extend the National Film Preservation



Act. I thank Mr. MOORHEAD, Mr. CONYERS and the other House sponsors for successfully bringing this matter through the House of Representatives. I also commend two retiring Senators who have always been champions of the arts, libraries and the public—Senator ALAN SIMPSON and Senator PAUL SIMON. Without their support this Senate action, which I have been seeking since January, would not be taking place today.

I have been a sponsor and supporter of the National Film Preservation Board since 1988 when we first took action to authorize the Board within the Library of Congress. We acted then to recognize the educational, cultural, and historical importance and the fragile nature of our film heritage. Motion pictures are an important part of the American experience and an extraordinary record of our history, our mores, and our aspirations. While there is currently a political penchant for chastising American filmmakers for the sex, violence and drugs seen on screen, we should not lose sight of the contributions of filmmaking to our cultural life and our life as a nation.

Before Congress acted in 1988, we had lost more than half of the feature films produced in the United States before 1951 and 80 percent of our silent films to deterioration. With the efforts of the National Film Preservation Board and those of such private groups as the Film Foundation, Turner Entertainment Co. and others we have made significant progress.

Since 1988 we have maintained a National Film Registry wherein classic movies like "Casablanca", "Citizen Kane", and "High Noon" have been maintained and orphan films, which no studio had an interest in preserving, were rescued from oblivion. The scientists have found better ways to preserve the images that were decaying on celluloid and studios have discovered that film libraries retain economic value and viewer interest.

In 1991, I joined with Senator STEVENS, Senator PELL, and Senator DeConcini to reauthorize and extend the National Film Preservation Act and we succeeded in doing so in June 1992. We acted at a time when there were growing film preservation efforts around the country but little coordination. The Librarian and the National Film Preservation Board were charged with the responsibility for conducting an extensive study of film preservation in American. It is that authorization that expired this summer and which we now renew.

The Library of Congress houses the largest film collection in the world. I am glad that those film treasures are being preserved there and at the UCLA film archive, at the Museum of Modern Art and at the George Eastman House. I am delighted that those films are now being exhibited to the public with the cooperation of their copyright holders. I am happy that they are available to scholars and researchers.

I am encouraged that we have an agreed-upon system for ensuring the integrity of the National Film Registry Collection of the Library of Congress and a certification process to ensure that National Registry films distributed or exhibited to the public that bear the National Registry seal are the genuine article. That seal verifies that they are the registry version. While this is not a full-blown guarantee of moral rights of those involved in the creation of the work, this system is consistent with a recognition of the first-published version as the original or true version of the work.

The comprehensive study conducted by the Librarian and the Board included extensive public hearings and public participation. I am glad to see the Library and the Board taking seriously their mandate to raise public awareness and to increase public involvement. The study further documents the problems that even recent films face, including color-fading, vinegar syndrome and the like. While new technology may hold some prospect for greater stability of the film elements, we still need extensive efforts if we are to preserve our art and respect our history.

This legislation signals the next phase in our coordinated national and local efforts. The bill will reauthorize a program for the preservation of educational and historical films held by libraries, archives, universities, historical societies, and filmmakers in every State. The materials that are at the center of concern are not Hollywood feature films but the orphan films of little commercial value that will not survive without public intervention. These include independent films, newsreels and documentaries, films of historical, educational, and regional importance, films by and about ethnic and minority groups, silent films, short subject films, early animation and films no longer protected by copyright and now part of the public domain.

This action should help preserve important resource materials for scholars and teachers like Denise Youngblood in the History Department, Frank Manchel and Ted Lyman in Arts and Sciences and Kenneth Rothwell in English at the University of Vermont; Ted Perry at Middlebury College; and Kenneth Peck at Burlington College. It is important to the special collection at the Bailey/Howe Library at the University of Vermont and the Vermont Historical Society.

Film preservation, film history and filmmaking matter. They matter to the Vermont Independent Media Artists, the Vermont International Film Foundation, the Savoy Theatre, the Flaherty family in Putney, Barbara VanDyke, the increasing number of creative film artists in Vermont, Vermont's growing film industry, our new film commission and to us all as audience and Americans.

Two film archives in our region should be among the beneficiaries of

the preservation program authorized by this legislation. They have worked closely with the Board and encouraged my continued involvement in this effort. The Northeast Historic Film archive is dedicated to preserving motion pictures of northern New England. I know that many saw and enjoyed their exhibition, "Going to the Movies: A Century of Motion Picture Audiences in Northern New England" last May in Burlington and that more than 1,000 participating in a screening of Charlie Chaplin's "The Circus." In addition, I have heard from the National Center for Jewish Film, which works to preserve America's film heritage and a glimpse of the cultural heritage of the Jewish people.

I have also heard from the Association of Moving Image Archivists and ask that letters from these organizations be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEAHY. This bill will reauthorize the National Film Preservation Board to continue to bring parties together to implement the realistic program outlined in the 1993 national plan. To help fund these activities over the long-term, the bill creates a nonprofit organization to be known as the National Film Preservation Foundation to combine public and private resources and leverage the Federal seed money with private fundraising. The bill we consider and pass today retains only 5 percent of the authorized funds that were initially requested. I urge the private section and those interested in preserving our heritage to rise to the challenge, contribute to the National Film Preservation Foundation and make it a success.

I thank all those who have served on the National Film Preservation Board for their contributions to this important effort. I want to commend Eric Schwartz of the Proskauer Rose law firm for his dedicated commitment as pro bono counsel to the National Film Preservation Board. Finally, I know that our Librarian of Congress strongly supports this legislation and want to thank Jim Billington and the Library staff for their help and for making our National Registry films available to the public.

#### EXHIBIT 1

NORTHEAST HISTORIC FILM,  
Bucksport, ME, August 30, 1996.

Hon. Patrick J. Leahy,  
Russell Building, U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: On behalf of the board, staff and members of Northeast Historic Film, we ask for your strong support of THE NATIONAL FILM PRESERVATION ACT of 1996 (H.R. 1734). This bill has already passed the House of Representatives without controversy or opposition. Now we hope you will help the Senate to pass H.R. 1734 quickly so that libraries, educators and archives can benefit from the legislation as soon as possible.

The passage of this act will mean a great deal to our survival as a cultural organization. Northeast Historic Film is a nonprofit

organization preserving film and videotape from Vermont, Maine and New Hampshire.

We spent most of May in Burlington with our history exhibition, "Going to the Movies: A Century of Motion Picture Audiences in Northern New England." The culmination of this educational and cultural series—in which scholars and filmmakers from the University of Vermont, Middlebury College, and other institutions, spoke to the public—was a screening of Charlie Chaplin's classic film *The Circus* with live orchestra at The Flynn to 1,100 people of all ages.

After the screening we received letters from people around Vermont, such as a letter from Hinesburg saying, "It would be an awful shame to lose this and other such cultural treasures to neglect." Film preservation needs your support.

The National Film Preservation Board, which is up for reauthorization, has been a significant force in making people aware of our film heritage nationally. The establishment of a new National Film Preservation Foundation, as recommended by the Librarian of Congress and the Film Board, is essential to the continued preservation and presentation of our film heritage.

While the amount of federal matching funds authorized by H.R. 1734 has been reduced by 95% from the original request, we are all too aware of the frugality of the present period. We still enthusiastically support the bill, seeing it is an important start for a preservation effort that will grow in size and energy as we turn the century.

We are members of the Association of Moving Image Archivists, the professional group representing our field. I enclose testimony to the House by Edward Richmond, AMIA's president at the time of the hearings, in support of this legislation.

The National Film Preservation Act will give the field a way to seek matching funds—an important source of leverage—with a very investment by the federal government.

Archives like this one preserve images and sound that record the changes to our social history, the changes in our landscape, the way we relate to each other. The work we do is very important to the education of young people. We saw first-hand how compelling this experience is to Vermont people.

Please help the many organizations working to save our history by supporting the Senate passage of H.R. 1734.

Sincerely,

KARAN SHELDON,  
DAVID WEISS.

THE NATIONAL CENTER FOR  
JEWISH FILM,  
Waltham, MA, August 30, 1996.

Re National Film Preservation Act (H.R. 1734).

Hon. EDWARD M. KENNEDY,  
U.S. Senate, Senate Russell Office Building,  
Washington, DC.

DEAR SENATOR KENNEDY: On behalf of the National Center for Jewish Film, located at Brandeis University, we are writing to ask you to support the NATIONAL FILM PRESERVATION ACT (H.R. 1734).

The passage of this act will accomplish two goals which are critically important to the nationwide effort to preserve America's film heritage and make it available to educators, students, scholars and the public. First, it will reauthorize the National Film Preservation Board, which has provided valuable leadership in helping the film archive community develop a coordinated national preservation plan, and which has done much to raise the public's awareness of the need for film preservation.

Second, it will establish the National Film Preservation Foundation, which will allow

the nation's film archives to raise private sector funding on a national level, with the need for only a minimum investment by the federal government in matching funds. In Massachusetts and throughout America, archives everyday are facing mountains of deteriorating film which they cannot afford to preserve. These films, often called "orphans" because they are no longer owned by commercial entities—including documentaries, newsreels, actuality footage, independent and avant-garde films, films of local and regional interest, socially significant amateur footage, and films which have fallen into public domain.

The National Center for Jewish Film was the recipient of uninterrupted grants from the National Endowment for the Arts/American Film Institute Film Preservation for 19 years until that invaluable program was eradicated last year. The preservation funds provided by that program were crucial in assisting our Center save a number of classic Yiddish feature films including: THE DYBBUK, TEVYE, GREEN FIELDS and UNCLE MOSES. Our Center holds thousands of cans of film in dire need of preservation. Each can preserved saves a small glimpse of the rich cultural heritage of the Jewish people.

Important collections of films exist in each of the fifty states—in local archives, museums, historical societies, libraries, universities and other non-profit institutions. Taken together they constitute an amazingly rich and very endangered cultural legacy.

The National Film Preservation Foundation represents our best hope for saving this legacy on behalf of the American people. Please help us in this effort by supporting H.R. 1734.

Sincerely,

SHARON PUCKER RIVO,  
Executive Director.

ASSOCIATION OF MOVING  
IMAGE ARCHIVISTS,  
Los Angeles, CA, September 4, 1996.

Re National Film Preservation Act (H.R. 1734).

Hon. PATRICK J. LEAHY,  
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: On behalf of the Association of Moving Image Archivists (AMIA), I am writing to ask you to support the NATIONAL FILM PRESERVATION ACT (H.R. 1734).

AMIA is a professional organization established in 1991 to provide a means for cooperation among individuals concerned with the preservation and use of moving image materials. It currently represents over 300 professional archivists working at more than 100 institutions in both the public and private sectors, most of the working professionals in the film archive field.

AMIA strongly endorses H.R. 1734. This Act has but one purpose—to preserve American films, especially educational and historical materials, which are deteriorating at an alarming rate. The need to act immediately was documented by Film Preservation 1993, a study completed by the Library of Congress and the National Film Preservation Board. H.R. 1734 will reauthorize the Board and establish a separate Foundation to coordinate fundraising efforts to save films. The Act is almost entirely dependent on private funds.

We believe passage of H.R. 1734 is critically important to preserving our nation's history, and insuring that educators, students, scholars, and the public will have access to the most vivid records of our past for teaching, research and enjoyment. The focus of the Act is not Hollywood feature films, but so-called "orphan films" which are not owned

by commercial entities. These films include newsreels, documentaries, actuality footage, educational films, socially significant amateur footage, films documenting local and regional history, and films which have fallen into the public domain with no copyright owner to insure their survival.

H.R. 1734 will help preserve such films by accomplishing two related and vital goals. First, it will reauthorize the National Film Preservation Board, originally established in 1988. The Board consists of representatives from all important constituencies within the film and academic communities, and operates under the direction of the Librarian of Congress. During the past eight years, the Board has proven invaluable in raising the public's awareness of the need for film preservation and in working with archives throughout the country to develop a coordinated national plan. Reauthorizing the Board will enable it to carry on the work of implementing this plan and providing leadership for the nationwide effort to preserve America's film heritage.

Secondly, H.R. 1734 will establish the National Film Preservation Foundation, as strongly recommended by the Film Board and the Librarian of Congress. The Foundation will work with the nation's film archives to raise private sector funding on a national level, with no investment of federal funds until the year 2000, and after then limited to a maximum allocation of \$250,000 in annual matching funds. All funds raised by the Foundation will be used by non-profit archives to preserve and make available historical, educational and cultural films of local, regional and national interest which will otherwise be lost forever.

Important collections of such films exist in each of the fifty states. They are housed in local archives, museums, historical societies, libraries, universities, and non-profit associations. Everyday these institutions face vaults full of deteriorating films which they cannot afford to preserve. These are not Hollywood films, belonging to the film studios and production companies, but orphan films comprising an amazingly rich and valuable national resource.

H.R. 1734 is a non-controversial proposal. It has already passed the House of Representatives by voice vote with complete bi-partisan support and no opposition. It focuses exclusively on films held in the public trust, that are not owned or protected by commercial entities. In recognition of these frugal times, the amount of federal matching funds it authorizes has been reduced by a full 95%. It simply and for the first time gives the nation's archives the tool they need to save the nation's film heritage—a federally chartered National Film Preservation Foundation.

We hope the Senate will act quickly to pass H.R. 1734, so its benefits can be felt as soon as possible. Your help is very much appreciated. Please give the nation's archives a chance to do their job for the benefit of the American people.

Sincerely,  
MAXINE FLECKNER DUCEY,  
President.

Mr. NICKLES. Mr. President, I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1734) was deemed read the third time and passed.

# COMMENDING GOVERNMENTS OF HUNGARY AND ROMANIA

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 303, submitted earlier today by Senators BROWN and SIMON.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 303) commending the Governments of Hungary and Romania on the occasion of the signing of a Treaty of Understanding, Cooperation and Good Neighborliness.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BROWN. Mr. President, I rise today with my distinguished colleague Senator SIMON to urge adoption of a resolution commemorating a historic treaty.

On September 16, 1996, the governments of Romania and Hungary signed a Treaty of Understanding, Cooperation and Good Neighborliness. Both countries deserve high praise for putting aside long time differences to agree to work together toward their common goal of democracy. This treaty shows the commitment of Romania and Hungary to improve their economic cooperation and to expand military relationships not only between each other, but also to the members of the North Atlantic Treaty Organization.

This agreement will allow both countries to enjoy a broader participation and sets the framework for the type of cooperation that will be required as these countries eventually enter the NATO.

I recently visited Romania and was able to see first hand the remarkable economic changes that are taking place. American investment in Romania doubled from 1993 to 1994 and doubled again in 1995. This agreement, and the increasing regional security that it exemplifies, will ensure increasing opportunities for U.S. investment.

It is clear that Romania and Hungary were able to set aside their long time differences by signing this treaty in order to improve their regional cooperation in hopes that they will eventually be included in NATO. By the mere suggestion that we expand NATO to include the countries of Central and Eastern Europe, we see moves to improve the relationships with their neighbors. If we were to actually expand NATO to include these newly emerging democracies, we would ensure that they will never return to communism. We will ensure that the tragic mistakes of the past will never be repeated and the wonderful people of Central and Eastern Europe will enjoy the long deserved freedoms of democracy.

Mr. NICKLES. Mr. President, I ask unanimous consent that the resolution

be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 303) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

## S. RES. 303

Whereas on September 16, 1996, a "Treaty of Understanding, Cooperation and Good Neighborliness between Romania and the Republic of Hungary" was signed by Gyula Horn, Prime Minister of Hungary, and by Nicolae Vacaroiu, Prime Minister of Romania, in Timisoara/Temesvar, Romania;

Whereas this agreement between the two governments is an important step in contributing to the stability of that region and to reconciliation and cooperation among the nations of Central and Eastern Europe.

Whereas this agreement will enhance the participation of both countries in the Partnership for Peace program and will contribute to and facilitate their closer cooperation with the members of the North Atlantic Treaty Organization and the eventual entry of these countries into full NATO participation; and

Whereas this agreement is a further significant step in the process of reconciliation between Hungary and Romania and reflects the desire and effort of both countries to improve their economic cooperation, to foster the free movement of peoples between their countries, to expand military relationships, and to increase cultural and educational cooperation.

It is resolved by the Senate, That the Senate—

(1) commends the farsighted leadership shown by both the government of Hungary and the government of Romania in reaching agreement on the Treaty of Understanding, Cooperation and Good Neighborliness signed on September 16, 1996;

(2) commends the frank, open, and reasoned political dialogue between officials of Hungary and Romania which led to the treaty;

(3) commends the two countries for their efforts to foster improved relations in all fields; and

(4) calls upon the President to utilize all available and appropriate means on behalf of the United States to support the implementation of the provisions of the "Treaty of Understanding, Cooperation and Good Neighborliness between Romania and the Republic of Hungary" and to promote their efforts for regional cooperation as the best means of bring these two countries into NATO and to ensure lasting security in the region.

## VOICE OF AMERICA AND RADIO MARTI

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 632, H.R. 3916.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3916) to make available certain Voice of America and Radio Marti multilingual computer readable text and voice recordings.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. NICKLES. Mr. President, I ask unanimous consent that the bill be read the third time, passed, the motion to reconsider be laid upon the table, and any statement relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3916) was deemed read the third time and passed.

## VETERANS' BENEFITS IMPROVEMENTS ACT OF 1996

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 625, S. 1711.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S.1711) to establish a commission to evaluate the programs of the Federal Government and assist members of the Armed Forces and veterans in readjusting to civilian life, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Veterans' Benefits Improvements Act of 1996".

(b) *TABLE OF CONTENTS.*—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. References to title 38, United States Code.

### TITLE I—COMMISSION ON TRANSITION ASSISTANCE

Sec. 101. Establishment of commission.

Sec. 102. Duties of commission.

Sec. 103. Powers of commission.

Sec. 104. Miscellaneous administrative provisions.

Sec. 105. Commission personnel matters.

Sec. 106. Termination of commission.

Sec. 107. Definitions.

Sec. 108. Funding.

### TITLE II—LIFE INSURANCE PROGRAMS

Sec. 201. Short title.

Sec. 202. Removal of gender references with respect to Servicemen's Group Life Insurance.

Sec. 203. Conversion of retired reservist Servicemembers' Group Life Insurance to Veterans' Group Life Insurance and extension of Veterans' Group Life Insurance to members of the Ready Reserves.

Sec. 204. Conversion of SGLI and VGLI to commercial life insurance.

Sec. 205. Technical amendment.

### TITLE III—BENEFITS PROVISIONS

Sec. 301. Expansion of period of Vietnam era for certain veterans.

Sec. 302. Revision of authority relating to centers for minority veterans and women veterans.

Sec. 303. Outer burial receptacles.

Sec. 304. Clarification of eligibility of minors for burial in national cemeteries.

- Sec. 305. Extension of authority to treat alternative teacher certification programs as educational institutions for certain educational assistance purposes.
- Sec. 306. Direct loans to refinance loans under Native American Veteran Housing Loan Pilot Program.
- Sec. 307. Clothing allowance for incarcerated veterans.
- Sec. 308. Appointment of veterans service organizations as claimants' representatives.
- Sec. 309. Provision of copies of Board of Veterans' Appeals decisions.
- Sec. 310. Extension of certain authorities for services for homeless veterans.

#### **TITLE IV—EMPLOYMENT AND REEMPLOYMENT RIGHTS OF MEMBERS OF THE UNIFORMED SERVICES**

- Sec. 401. Purposes.
- Sec. 402. Definitions.
- Sec. 403. Discrimination against persons who serve in the uniformed services and acts of reprisal prohibited.
- Sec. 404. Reemployment rights of persons who serve in the uniformed services.
- Sec. 405. Reemployment positions.
- Sec. 406. Leave.
- Sec. 407. Health plans.
- Sec. 408. Employee pension benefit plans.
- Sec. 409. Enforcement of employment or reemployment rights.
- Sec. 410. Enforcement of rights with respect to a State or private employer.
- Sec. 411. Enforcement of rights with respect to Federal executive agencies.
- Sec. 412. Enforcement of rights with respect to certain Federal agencies.
- Sec. 413. Conduct of investigation; subpoenas.
- Sec. 414. Transition rules and effective dates.
- Sec. 415. Effective dates.

#### **SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.**

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

#### **TITLE I—COMMISSION ON TRANSITION ASSISTANCE**

##### **SEC. 101. ESTABLISHMENT OF COMMISSION.**

(a) **ESTABLISHMENT.**—There is established a commission to be known as the Commission on Service Members and Veterans Transition Assistance (hereafter in this title referred to as the "Commission").

(b) **MEMBERSHIP.**—(1) The Commission shall be composed of 12 members appointed from among private United States citizens with appropriate and diverse experiences, expertise, and historical perspectives on veterans, military, organizational, and management matters, of whom—

(A) four shall be appointed by the Chairman of the Committee on Veterans' Affairs of the Senate, in consultation with the Ranking Member of that committee;

(B) four shall be appointed by the Chairman of the Committee on Veterans' Affairs of the House of Representatives, in consultation with the Ranking Member of that committee;

(C) two shall be appointed by the Chairman of the Committee on Armed Services of the Senate, in consultation with the Ranking Member of that committee; and

(D) two shall be appointed by the Chairman of the Committee on National Security of the House of Representatives, in consultation with the Ranking Member of that committee.

(2)(A) One member of the Commission appointed under each of subparagraphs (A) and (B) of paragraph (1) shall be a representative of a veterans service organization.

(B) To the maximum extent practicable, the individuals appointed as members of the Commission shall be veterans.

(C) Not more than seven of the members of the Commission may be members of the same political party.

(3) The appointments of members of the Commission shall, to the maximum extent practicable, be made after consultation with representatives of veterans service organizations.

(4) The appointments of the members of the Commission shall be made not later than 45 days after the date of enactment of this Act.

(c) **PERIOD OF APPOINTMENT; VACANCIES.**—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) **INITIAL MEETING.**—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(e) **QUORUM.**—A majority of the members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(f) **CHAIRMAN AND VICE CHAIRMAN.**—The Commission shall select a Chairman and Vice Chairman from among its members.

(g) **MEETINGS.**—The Commission shall meet at the call of the Chairman of the Commission.

(h) **PANELS.**—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of such panels shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(i) **AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.**—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

##### **SEC. 102. DUTIES OF COMMISSION.**

(a) **IN GENERAL.**—The Commission shall—

(1) review the efficacy and appropriateness of veterans transition and assistance programs in providing assistance to members of the Armed Forces in making the transition and adjustment to civilian life upon their separation from the Armed Forces and in providing assistance to veterans in making the transition to, and adjusting to, civilian life;

(2) review the allocation under law of responsibility for the administration of veterans transition and assistance programs among the various departments and agencies of the Federal Government and determine the feasibility and desirability of consolidating such administration in one such department or agency;

(3) evaluate proposals for improving such programs, including proposals to consolidate, streamline, and enhance the provision of such assistance and proposals for alternative means of providing such assistance; and

(4) make recommendations to Congress regarding means of ensuring the continuing utility of such programs and assistance and of otherwise improving such programs and the provision of such assistance.

(b) **REVIEW OF PROGRAMS TO ASSIST MEMBERS OF THE ARMED FORCES AT SEPARATION.**—(1) While carrying out the general duties specified in subsection (a), the members of the Commission appointed under subparagraphs (C) and (D) of section 101(b)(1) shall review primarily the programs intended to assist members of the Armed Forces at the time of their separation from service in the Armed Forces, including programs designed to assist families of such members in preparing for the transition of such members from military life to civilian life and to facilitate that transition.

(2) In carrying out the review, such members of the Commission shall determine—

(A) the adequacy of the programs referred to in paragraph (1) for their purposes;

(B) the adequacy of the support of the Armed Forces for such programs;

(C) the effect, if any, of the existence of such programs on military readiness;

(D) the extent to which such programs provide members of the Armed Forces with job-search skills;

(E) the extent to which such programs prepare such members for employment in the private sector and in the public sector;

(F) the effectiveness of such programs in assisting such members in finding employment in the public sector upon their separation from service; and

(G) the ways in which such programs could be improved in order to assist such members in securing meaningful employment in the private sector upon their separation from service.

(c) **REVIEW OF PROGRAMS TO ASSIST VETERANS.**—(1) While carrying out the general duties specified in subsection (a), the members of the Commission appointed under subparagraphs (A) and (B) of section 101(b)(1) shall—

(A) review the adequacy of programs intended to assist veterans (including disabled veterans, homeless veterans, and economically disadvantaged veterans) in adjusting to civilian life, including the programs referred to in paragraph (2); and

(B) consider—

(i) whether the scope, focus, or content of such programs should be changed as a result of the conversion of the Armed Forces to an all-volunteer force; and

(ii) whether responsibility for administration of such programs should be transferred to a department or agency other than the Department of Veterans Affairs as a result of such conversion and, if so, the department or agency to which the administration should be transferred.

(2) The programs referred to in paragraph (1)(A) are the following:

(A) Educational assistance programs.

(B) Job counseling, job training, and job placement services programs.

(C) Rehabilitation and training programs.

(D) Housing loan programs.

(E) Small business loan and small business assistance programs.

(F) Employment and employment training programs for employment in the public sector and the private sector, including employer training programs and union apprenticeship programs.

(G) Federal Government personnel policies (including veterans' preference policies) and the enforcement of such policies.

(H) Programs that prepare the families of members of the Armed Forces for their transition from military life to civilian life and facilitate that transition.

(d) **REPORTS.**—(1) Not later than 90 days after the date on which all members of the Commission have been appointed, the Commission shall submit to the Committees on Veterans' Affairs and Armed Services of the Senate and the Committees on Veterans' Affairs and National Security of the House of Representatives a report setting forth a plan for the work of the Commission. The Commission shall develop the plan in consultation with the Secretary of Defense, the Secretary of Veterans Affairs, and the heads of other appropriate departments and agencies of the Federal Government.

(2)(A) Not later than one year after the date of the first meeting of the Commission, the Commission shall submit to the committees referred to in paragraph (1), and to the Secretary of Defense, the Secretary of Veterans Affairs, the Secretary of Labor, and the Secretary of Education, a report setting forth the activities, findings, and recommendations of the Commission, including any recommendations for legislative action and administrative action as the Commission considers appropriate.

(B) Not later than 90 days after receiving the report referred to in subparagraph (A), the Secretary of Defense and the Secretary of Veterans Affairs shall jointly transmit the report to Congress, together with the Secretaries' comments on the report.

**SEC. 103. POWERS OF COMMISSION.**

(a) **HEARINGS.**—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this title.

(b) **INFORMATION FROM FEDERAL AGENCIES.**—The Commission may secure directly from the Department of Defense, the Department of Veterans Affairs, and any other department or agency of the Federal Government such information as the Commission considers necessary to carry out its duties under this title. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information expeditiously to the Commission.

**SEC. 104. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.**

(a) **POSTAL SERVICES.**—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) **GIFTS.**—The Commission may accept, use, and dispose of gifts or donations of services or property.

(c) **MISCELLANEOUS ADMINISTRATIVE SUPPORT.**—The Secretary of Defense and the Secretary of Veterans Affairs shall, upon the request of the Chairman of the Commission, furnish the Commission, on a reimbursable basis, any administrative and support services as the Commission may require.

**SEC. 105. COMMISSION PERSONNEL MATTERS.**

(a) **COMPENSATION OF MEMBERS.**—Each member of the Commission shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in performing the duties of the Commission.

(b) **TRAVEL AND TRAVEL EXPENSES.**—(1) Members and personnel of the Commission may travel on military aircraft, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Commission except when the cost of commercial transportation is less expensive.

(2) The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) **STAFF.**—(1) The Chairman of the Commission may, without regard to civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. In appointing an individual as executive director, the Chairman shall, to the maximum extent practicable, attempt to appoint an individual who is a veteran. The employment of an executive director shall be subject to confirmation by the Commission.

(2) The Chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) **DETAIL OF GOVERNMENT EMPLOYEES.**—Upon request of the Chairman of the Commission, the head of any department or agency of the Federal Government may detail, on a non-reimbursable basis, any personnel of the department or agency to the Commission to assist the Commission in carrying out its duties.

(e) **PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.**—The Chairman of the Com-

mission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5316 of such title.

**SEC. 106. TERMINATION OF COMMISSION.**

The Commission shall terminate 90 days after the date on which the Commission submits its report under section 102(d)(2).

**SEC. 107. DEFINITIONS.**

For the purposes of this title—

(1) The term “veterans transition and assistance program” means any program of the Federal Government, including the Department of Defense, the Department of Veterans Affairs, the Department of Labor, and the Department of Education, the purpose of which is—

(A) to assist, by rehabilitation or other means, members of the Armed Forces in readjusting or otherwise making the transition to civilian life upon their separation from service in the Armed Forces; or

(B) to assist veterans in making the transition to civilian life.

(2) The term “Armed Forces” has the meaning given such term in section 101(10) of title 38, United States Code.

(3) The term “veteran” has the meaning given such term in section 101(2) of title 38, United States Code.

(4) The term “veterans service organization” means any organization covered by section 5902(a) of title 38, United States Code.

**SEC. 108. FUNDING.**

(a) **IN GENERAL.**—The Secretary of Defense shall, upon the request of the Chairman of the Commission, make available to the Commission such amounts as the Commission may require to carry out its duties under this title. The Secretary shall make such amounts available from amounts appropriated for the Department of Defense.

(b) **AVAILABILITY.**—Any sums made available to the Commission under subsection (a) shall remain available, without fiscal year limitation, until the termination of the Commission.

**TITLE II—LIFE INSURANCE PROGRAMS****SEC. 201. SHORT TITLE.**

This title may be cited as the “Veterans’ Insurance Reform Act of 1996”.

**SEC. 202. REMOVAL OF GENDER REFERENCES WITH RESPECT TO SERVICEMEN’S GROUP LIFE INSURANCE.**

(a) **IN GENERAL.**—The following provisions are amended by striking out “Servicemen’s Group Life Insurance” each place it appears and inserting in lieu thereof “Servicemembers’ Group Life Insurance”:

- (1) Subsections (a), (c), and (e) of section 1967.
- (2) Subsections (a) through (d) of section 1969.
- (3) Subsections (a), (f), and (g) of section 1970.
- (4) Section 1971(b).
- (5) Section 1973.
- (6) The text of section 1974(a).
- (7) Subsections (a) (other than the third and fourth sentences), (d), and (g) of section 1977.
- (8) Section 3017(a)(2)(A)(i).
- (9) Section 3224(1).

(b) **CONFORMING AND CLERICAL AMENDMENTS.**—(1) Section 1315(f)(1)(F) is amended by striking out “servicemen’s group life insurance” and inserting in lieu thereof “servicemembers’ group life insurance”.

(2)(A) The heading of subchapter III of chapter 19 is amended to read as follows:

“SUBCHAPTER III—SERVICEMEMBERS’ GROUP LIFE INSURANCE”.

(B) The item relating to such subchapter in the table of sections at the beginning of such chapter is amended to read as follows:

“SUBCHAPTER III—SERVICEMEMBERS’ GROUP LIFE INSURANCE”.

(3)(A) The section head of section 1974 is amended to read as follows:

**“§1974. Advisory Council on Servicemembers’ Group Life Insurance”.**

(B) The item relating to such section in the table of sections at the beginning of chapter 19 is amended to read as follows:

“§1974. Advisory Council on Servicemembers’ Group Life Insurance.”.

(d) **REFERENCES.**—(1) Any reference to Servicemen’s Group Life Insurance in any Federal law, Executive order, regulation, delegation of authority, or other document of the Federal Government shall be deemed to refer to Servicemembers’ Group Life Insurance.

(2) Any reference to the Advisory Council on Servicemen’s Group Life Insurance in any Federal law, Executive order, regulation, delegation of authority, or other document of the Federal Government shall be deemed to refer to the Advisory Council on Servicemembers’ Group Life Insurance.

**SEC. 203. CONVERSION OF RETIRED RESERVIST SERVICEMEMBERS’ GROUP LIFE INSURANCE TO VETERANS’ GROUP LIFE INSURANCE AND EXTENSION OF VETERANS’ GROUP LIFE INSURANCE TO MEMBERS OF THE READY RESERVES.**

(a) **DEFINITIONS.**—Section 1965(5) is amended—

(1) by adding “and” at the end of subparagraph (B);

(2) by striking out subparagraphs (C) and (D); and

(3) by redesignating subparagraph (E) as subparagraph (C).

(b) **PERSONS INSURED.**—Section 1967 is amended—

(1) in subsection (a)—

(A) by adding “and” at the end of paragraph (1);

(B) by striking out paragraphs (3) and (4); and

(C) in the full sentence in the matter following paragraph (2), by striking out “or the first day a member of the Reserves, whether or not assigned to the Retired Reserve of a uniformed service, meets the qualifications of section 1965(5)(C) of this title, or the first day a member of the Reserves meets the qualifications of section 1965(5)(D) of this title.”;

(2) by striking out subsection (d); and

(3) by redesignating subsection (e) as subsection (d).

(c) **DURATION AND TERMINATION OF COVERAGE.**—Section 1968(a) is amended—

(1) by striking out “subparagraph (B), (C), or (D) of section 1965(5)” in the matter preceding paragraph (1) and inserting in lieu thereof “section 1965(5)(B)”;

(2) by striking out paragraph (4) and inserting in lieu thereof the following new paragraph (4): “(4) with respect to a member of the Ready Reserve of a uniformed service who meets the qualifications set forth in section 1965(5)(B) of this title, one hundred and twenty days after separation or release from such assignment, unless on the date of such separation or release the member is totally disabled, under criteria established by the Secretary, in which event the insurance shall cease one year after the date of separation or release from such assignment, or on the date the insured ceases to be totally disabled, whichever is the earlier date, but in no event prior to the expiration of one hundred and twenty days after separation or release from such assignment.”; and

(3) by striking out paragraphs (5) and (6).

(d) **DEDUCTIONS.**—Section 1969 is amended—

(1) in subsection (a)(2), by striking out “is assigned to the Reserve (other than the Retired Reserve)” and all that follows through “section 1965(5)(D) of this title.”;

(2) by striking out subsection (e); and

(3) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(e) **CONVERSION OF SGLI TO VGLI.**—The Servicemembers’ Group Life Insurance of any

member of the Retired Reserve of a uniformed service shall be converted to Veterans' Group Life Insurance effective 90 days after the date of enactment of this Act.

**SEC. 204. CONVERSION OF SGLI AND VGLI TO COMMERCIAL LIFE INSURANCE.**

(a) **OPTION TO CONVERT SGLI.**—Subsection (b) of section 1968 is amended to read as follows: "(b)(1) Each policy purchased under this subchapter shall contain a provision, in terms approved by the Secretary, that, except as hereinafter provided, Servicemembers' Group Life Insurance which is continued in force after expiration of the period of duty or travel under section 1967(b) or 1968(a) of this title, effective the day after the date such insurance would cease, shall, at the election of the member or former member concerned—

"(A) be automatically converted to Veterans' Group Life Insurance subject to (i) the timely payment of the initial premium under terms prescribed by the Secretary, and (ii) the terms and conditions set forth in section 1977 of this title; or

"(B) be converted to an individual policy of insurance as described in section 1977(e) of this title upon written application for conversion made to the participating company selected by the member and payment of the required premiums.

"(2) Automatic conversion under paragraph (1)(A) shall be effective only in the case of an otherwise eligible member or former member who is separated or released from a period of active duty or active duty for training or inactive duty training on or after the date on which the Veterans' Group Life Insurance program (provided for under section 1977 of this title) becomes effective."

(b) **CONVERSION OF VGLI.**—Section 1977 is amended—

(1) in subsection (a), by striking out the fourth and fifth sentences and inserting in lieu thereof the following sentence: "If any person insured under Veterans' Group Life Insurance again becomes insured under Servicemembers' Group Life Insurance but dies before terminating or converting such person's Veterans' Group Life Insurance to Servicemembers' Group Life Insurance, Veterans' Group Life Insurance will be payable only if such person is insured for less than \$200,000 under Servicemembers' Group Life Insurance, and then only in an amount which when added to the amount of Servicemembers' Group Life Insurance payable shall not exceed \$200,000."; and

(2) in subsection (e), by striking out the third sentence and inserting in lieu thereof the following new sentence: "A Veterans' Group Life Insurance policy converted to an individual policy under this subsection shall terminate on the date before the date on which the individual policy becomes effective."

**SEC. 205. TECHNICAL AMENDMENT.**

Section 1977(a) is amended by striking out "and (e)" each place it appears in the first and second sentences.

**TITLE III—BENEFITS PROVISIONS**

**SEC. 301. EXPANSION OF PERIOD OF VIETNAM ERA FOR CERTAIN VETERANS.**

(a) **IN GENERAL.**—Section 101(29) of title 38, United States Code, is amended to read as follows:

"(29) The term 'Vietnam era' means the following:

"(A) The period beginning on February 28, 1961, and ending on May 7, 1975, in the case of a veteran who served in the Republic of Vietnam during such period.

"(B) The period beginning on August 5, 1964, and ending on May 7, 1975, in all other cases."

(b) **LIMITED EXPANSION FOR SPECIFIC PURPOSES.**—(1)(A) Paragraphs (1)(B) and (3) of section 1116(a) of such title are each amended by striking out "during the Vietnam era" and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975,".

(B) Paragraphs (1)(A), (2)(C), (2)(E), (2)(F), and (4) of such section are each amended by striking out "during the Vietnam era" and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975,".

(2) Section 1710(e)(1)(A) of such title is amended—

(A) in clause (i), by striking out "during the Vietnam era," and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975,"; and

(B) in clause (ii), by striking out "such era" and inserting in lieu thereof "such period".

(c) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on January 1, 1997. No benefit may be paid or provided by reason of such amendments for any period before such date.

**SEC. 302. REVISION OF AUTHORITY RELATING TO CENTERS FOR MINORITY VETERANS AND WOMEN VETERANS.**

(a) **SES STATUS OF DIRECTORS.**—Sections 317(b) and 318(b) are each amended by inserting "career or" before "noncareer".

(b) **ADDITIONAL FUNCTIONS OF CENTER FOR MINORITY VETERANS.**—Section 317(d) is amended—

(1) by redesignating paragraph (10) as paragraph (12); and

(2) by inserting after paragraph (9) the following new paragraphs (10) and (11):

"(10) Advise the Secretary and other appropriate officials on the effectiveness of the Department's efforts to accomplish the goals of section 492B of the Public Health Service Act (42 U.S.C. 289a-2) with respect to the inclusion of minorities in clinical research and on particular health conditions affecting the health of members of minority groups which should be studied as part of the Department's medical research program and promote cooperation between the Department and other sponsors of medical research of potential benefit to veterans who are minorities.

"(11) Provide support and administrative services to the Advisory Committee on Minority Veterans provided for under section 544 of this title."

(c) **DEFINITION OF MINORITY VETERANS.**—Section 317 is amended by adding at the end the following:

"(g) In this section—

"(1) The term 'veterans who are minorities' means veterans who are minority group members.

"(2) The term 'minority group member' has the meaning given such term in section 544(d) of this title."

(d) **CLARIFICATION OF FUNCTIONS OF CENTER FOR WOMEN VETERANS.**—Section 318(d)(10) is amended by striking out "(relating to" and all that follows through "and of" and inserting in lieu thereof "(42 U.S.C. 289a-2) with respect to the inclusion of women in clinical research and on".

(e) **ADDITIONAL FUNCTIONS OF ADVISORY COMMITTEES.**—(1) Section 542(b) is amended by inserting ", including the Center for Women Veterans" before the period at the end.

(2) Section 544(b) is amended by inserting ", including the Center for Minority Veterans" before the period at the end.

(f) **TERMINATION DATE OF ADVISORY COMMITTEE ON MINORITY VETERANS.**—Section 544(e) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

**SEC. 303. OUTER BURIAL RECEPTACLES.**

(a) **IN GENERAL.**—Subsection (d) of section 2306 is amended—

(1) in paragraph (1), by striking out "a grave liner" each place it appears and inserting in lieu thereof "an outer burial receptacle";

(2) in paragraph (2)—

(A) by striking out "grave liners" and inserting in lieu thereof "outer burial receptacles"; and

(B) by striking out "specifications and procedures" and inserting in lieu thereof "regulations or procedures"; and

(3) by adding at the end the following:

"(3) Regulations or procedures under paragraph (2) may specify that—

"(A) an outer burial receptacle other than a grave liner be provided in lieu of a grave liner at the election of the survivors of the interred veteran; and

"(B) if an outer burial receptacle other than a grave liner is provided in lieu of a grave liner upon an election of such survivors, such survivors be required—

"(i) to pay the amount by which the cost of the outer burial receptacle exceeds the cost of the grave liner that would otherwise have been provided in the absence of the election; and

"(ii) to pay the amount of the administrative costs incurred by the Secretary concerned in providing the outer burial receptacle in lieu of such grave liner.

"(4) Regulations or procedures under paragraph (2) may provide for the use of a voucher system, or other system of reimbursement approved by the Secretary concerned, for payment for outer burial receptacles other than grave liners provided under such regulations or procedures."

(b) **CONFORMING AMENDMENTS.**—(1) The section heading of such section is amended to read as follows:

**"§2306. Headstones, markers, and burial receptacles".**

(2) The table of sections at the beginning of chapter 23 is amended by striking out the item relating to section 2306 and inserting in lieu thereof the following new item:

"2306. Headstones, markers, and burial receptacles."

**SEC. 304. CLARIFICATION OF ELIGIBILITY OF MINORS FOR BURIAL IN NATIONAL CEMETERIES.**

Section 2402(5) is amended by inserting after "minor child" the following: "(which for purposes of this chapter includes a child under 21 years of age, or under 23 years of age if pursuing a course of instruction at an approved educational institution)".

**SEC. 305. EXTENSION OF AUTHORITY TO TREAT ALTERNATIVE TEACHER CERTIFICATION PROGRAMS AS EDUCATIONAL INSTITUTIONS FOR CERTAIN EDUCATIONAL ASSISTANCE PURPOSES.**

Section 3452(c) is amended in the second sentence by striking out "September 30, 1996" and inserting in lieu thereof "December 31, 1998".

**SEC. 306. DIRECT LOANS TO REFINANCE LOANS UNDER NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM.**

(a) **AUTHORITY.**—Section 3762 is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h)(1) The Secretary may make direct loans to Native American veterans in order to enable such veterans to refinance existing loans made under this section.

"(2)(A) The Secretary may not make a loan under this subsection unless the loan meets the requirements set forth in subparagraphs (B), (C), and (E) of paragraph (1) of section 3710(e) of this title.

"(B) The Secretary may not make a loan under this subsection unless the loan will bear an interest rate at least one percentage point less than the interest rate borne by the loan being refinanced.

"(C) Paragraphs (2) and (3) of such section 3710(e) shall apply to any loan made under this subsection, except that for the purposes of this subsection the reference to subsection (a)(8) of section 3710 of this title in such paragraphs (2) and (3) shall be deemed to be a reference to this subsection."



(b) LOAN FEE.—Section 3729(a)(2)(E) of such title is amended by striking out “or 3712(a)(1)(F)” and inserting in lieu thereof “3712(a)(1)(F), or 3762(h)”.

**SEC. 307. CLOTHING ALLOWANCE FOR INCARCERATED VETERANS.**

(a) IN GENERAL.—Chapter 53 is amended by inserting after section 5313 the following new section:

**“§5313A. Limitation on payment of clothing allowance to incarcerated veterans**

“In the case of a veteran incarcerated in a Federal, State, or local penal institution for a period in excess of sixty days and furnished clothing without charge by the institution, the amount of any clothing allowance payable to the veteran under section 1162 of this title shall be reduced by an amount equal to  $\frac{1}{60}$ th of the amount of the allowance otherwise payable under that section for each day during the 12-month period preceding the date of the payment of the allowance on which the veteran was so incarcerated.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5313 the following new item:

“5313A. Limitation on payment of clothing allowance to incarcerated veterans.”

**SEC. 308. APPOINTMENT OF VETERANS SERVICE ORGANIZATIONS AS CLAIMANTS' REPRESENTATIVES.**

(a) POWER OF ATTORNEY NAMING A VETERANS SERVICE ORGANIZATION.—Section 5902 is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

“(c)(1) Unless a claimant specifically indicates in a power of attorney filed with the Department a desire to appoint only a recognized representative of an organization listed in or approved under subsection (a), the Secretary may, for any purpose, treat the power of attorney naming such an organization, a specific office of such an organization, or a recognized representative of such an organization as the claimant's representative as an appointment of the entire organization as the claimant's representative.

“(2) Whenever the Secretary is required or permitted to notify a claimant's representative, and the claimant has named in a power of attorney an organization listed in or approved under subsection (a), a specific office of such an organization, or a recognized representative of such an organization without specifically indicating a desire to appoint only a recognized representative of the organization, the Secretary shall notify the organization at the address designated by the organization for the purpose of receiving the notification concerned.”.

(b) APPLICABILITY.—The amendments made by this section apply to any power of attorney filed with the Department of Veterans Affairs, regardless of the date of its execution.

**SEC. 309. PROVISION OF COPIES OF BOARD OF VETERANS' APPEALS DECISIONS.**

Section 7104(e) is amended to read as follows: “(e)(1) After reaching a decision on a case, the Board shall promptly mail a copy of its written decision to the claimant at the last known address of the claimant.

“(2) If the claimant has an authorized representative, the Board shall—

“(A) mail a copy of its written decision to the authorized representative at the last known address of the authorized representative; or

“(B) send a copy of its written decision to the authorized representative by any means reasonably likely to provide the authorized representative with a copy of the decision within the same time a copy would be expected to reach the authorized representative if sent by first-class mail.”.

**SEC. 310. EXTENSION OF CERTAIN AUTHORITIES FOR SERVICES FOR HOMELESS VETERANS.**

(a) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out “December 31, 1997” and inserting in lieu thereof “December 31, 1998”.

(b) AUTHORIZATIONS OF APPROPRIATIONS FOR HOMELESS VETERANS REINTEGRATION PROJECTS.—Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

“(E) \$10,000,000 for fiscal year 1997.

“(F) \$10,000,000 for fiscal year 1998.”.

**TITLE IV—EMPLOYMENT AND REEMPLOYMENT RIGHTS OF MEMBERS OF THE UNIFORMED SERVICES**

**SEC. 401. PURPOSES.**

Section 4301(a)(2) is amended by striking out “under honorable conditions”.

**SEC. 402. DEFINITIONS.**

Section 4303(16) is amended by inserting “national” before “emergency”.

**SEC. 403. DISCRIMINATION AGAINST PERSONS WHO SERVE IN THE UNIFORMED SERVICES AND ACTS OF REPRISAL PROHIBITED.**

Section 4311 is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

“(b) An employer may not discriminate in employment against or take any adverse employment action against any person because such person (1) has taken an action to enforce a protection afforded any person under this chapter, (2) has testified or otherwise made a statement in or in connection with any proceeding under this chapter, (3) has assisted or otherwise participated in an investigation under this chapter, or (4) has exercised a right provided for in this chapter. This subsection shall apply with respect to a person regardless of whether the person has performed service in the uniformed services.

“(c) An employer shall be considered to have engaged in actions prohibited—

“(1) under subsection (a), if the person's membership, application for membership, service, application for service, or obligation for service in the uniformed services is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such membership, application for membership, service, application for service, or obligation for service; or

“(2) under subsection (b), if the person's (A) action to enforce a protection afforded any person under this chapter, (B) testimony or making of a statement in or in connection with any proceeding under this chapter, (C) assistance or other participation in an investigation under this chapter, or (D) exercise of a right provided for in this chapter, is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such person's enforcement action, testimony, statement, assistance, participation, or exercise of a right.

“(d) The prohibitions in subsections (a) and (b) shall apply to any position of employment, including a position covered by section 4312(d)(1)(C).”.

**SEC. 404. REEMPLOYMENT RIGHTS OF PERSONS WHO SERVE IN THE UNIFORMED SERVICES.**

(a) INCLUSION OF PREPARATION AND TRAVEL TIME PRIOR TO SERVICE.—Section 4312(a) is amended by striking out “who is absent from a position of employment” and inserting in lieu thereof “whose absence from a position of employment is necessitated”.

(b) LIMITATION ON SERVICE EXEMPTION TO WAR OR NATIONAL EMERGENCY.—Section 4312(c)(4)(B) is amended to read as follows:

“(B) ordered to or retained on active duty (other than for training) under any provision of law because of a war or national emergency declared by the President or the Congress, as determined by the Secretary concerned;”.

(c) BRIEF, NONRECURRENT PERIODS OF SERVICE.—Section 4312(d)(2)(C) is amended by striking out “is brief or for a nonrecurrent period and without a reasonable expectation” and inserting in lieu thereof “is for a brief, nonrecurrent period and there is no reasonable expectation”.

(d) CONFORMING AMENDMENTS TO REDESIGNATIONS IN TITLE 10.—Section 4312(c) is amended—

(1) in paragraph (3), by striking out “section 270” and inserting in lieu thereof “section 10147”; and

(2) in paragraph (4)—

(A) by striking out “section 672(a), 672(g), 673, 673b, 673c, or 688” in subparagraph (A) and inserting in lieu thereof “section 688, 12301(a), 12301(g), 12302, 12304, or 12305”; and

(B) by striking out “section 673b” in subparagraph (C) and inserting in lieu thereof “section 12304”; and

(C) by striking out “section 3500 or 8500” in subparagraph (E) and inserting in lieu thereof “section 12406”.

**SEC. 405. REEMPLOYMENT POSITIONS.**

Section 4313(a)(4) is amended—

(1) by striking out “uniform services” in subparagraph (A)(ii) and inserting in lieu thereof “uniformed services”; and

(2) by striking out “of lesser status and pay which” and inserting in lieu thereof “which is the nearest approximation to a position referred to first in clause (A)(i) and then in clause (A)(ii) which”.

**SEC. 406. LEAVE.**

Section 4316(d) is amended by adding at the end the following new sentence: “No employer may require any such person to use vacation, annual, or similar leave during such period of service.”.

**SEC. 407. HEALTH PLANS.**

Section 4317(a) is amended—

(1) by striking out “(a)(1)(A) Subject to paragraphs (2) and (3), in” and inserting in lieu thereof “(a)(1) In”;

(2) by redesignating clauses (i) and (ii) of paragraph (1) (as amended by paragraph (1) of this section) as subparagraphs (A) and (B), respectively;

(3) by redesignating subparagraph (B) as paragraph (2); and

(4) by redesignating subparagraph (C) as paragraph (3), and in that paragraph by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively.

**SEC. 408. EMPLOYEE PENSION BENEFIT PLANS.**

The last sentence of section 4318(b)(2) is amended by striking out “services,” and inserting in lieu thereof “services, such payment period”.

**SEC. 409. ENFORCEMENT OF EMPLOYMENT OR REEMPLOYMENT RIGHTS.**

(a) TECHNICAL AMENDMENT.—The second sentence of section 4322(d) is amended by inserting “attempt to” before “resolve”.

(b) NOTIFICATION.—Section 4322(e) is amended—

(1) in the matter preceding paragraph (1), by striking out “with respect to a complaint under subsection (d) are unsuccessful,” and inserting in lieu thereof “with respect to any complaint filed under subsection (a) do not resolve the complaint,”; and

(2) in paragraph (2), by inserting “or the Office of Personnel Management” after “Federal executive agency”.

**SEC. 410. ENFORCEMENT OF RIGHTS WITH RESPECT TO A STATE OR PRIVATE EMPLOYER.**

Section 4323(a) is amended—

(1) in paragraph (1), by striking out “of an unsuccessful effort to resolve a complaint”; and



(2) in paragraph (2)(A), by striking out "regarding the complaint under section 4322(c)" and inserting in lieu thereof "under section 4322(a)".

**SEC. 411. ENFORCEMENT OF RIGHTS WITH RESPECT TO FEDERAL EXECUTIVE AGENCIES.**

(a) REFERRAL.—Section 4324(a)(1) is amended by striking out "of an unsuccessful effort to resolve a complaint relating to a Federal executive agency".

(b) ALTERNATIVE SUBMISSION OF COMPLAINT.—Section 4324(b) is amended—

(1) in the matter preceding paragraph (1), by inserting "or the Office of Personnel Management" after "Federal executive agency"; and

(2) in paragraph (1), by striking out "regarding a complaint under section 4322(c)" and inserting in lieu thereof "under section 4322(a)".

(c) RELIEF.—Section 4324(c)(2) is amended—

(1) by inserting "or the Office of Personnel Management" after "Federal executive agency"; and

(2) by striking out "employee" and inserting in lieu thereof "Office".

**SEC. 412. ENFORCEMENT OF RIGHTS WITH RESPECT TO CERTAIN FEDERAL AGENCIES.**

Section 4325(d)(1) is amended—

(1) by striking out "alternative employment in the Federal Government under this chapter,"; and

(2) by striking out "employee" the last place it appears and inserting in lieu thereof "employees".

**SEC. 413. CONDUCT OF INVESTIGATION; SUBPOENAS.**

Section 4326(a) is amended by inserting "have reasonable access to and the right to interview persons with information relevant to the investigation and shall" after "at all reasonable times,".

**SEC. 414. TRANSITION RULES AND EFFECTIVE DATES.**

(a) REEMPLOYMENT.—Section 8(a) of the Uniformed Services Employment and Reemployment Rights Act of 1994 (Public Law 103-353; 108 Stat. 3175; 38 U.S.C. 4301 note) is amended—

(1) in paragraph (3), by adding at the end thereof the following: "Any service begun up to 60 days after the date of enactment of this Act, which is served up to 60 days after the date of enactment of this Act pursuant to orders issued under section 502(f) of title 32, United States Code, shall be considered under chapter 43 of title 38, United States Code, as in effect on the day before such date of enactment. Any service pursuant to orders issued under such section 502(f) served after 60 days after the date of enactment of this Act, regardless of when begun, shall be considered under the amendments made by this Act."; and

(2) in paragraph (4), by striking out "such period" and inserting in lieu thereof "such 60-day period".

(b) INSURANCE.—Section 8(c)(2) of such Act is amended by striking out "person on active duty" and inserting in lieu thereof "person serving a period of service in the uniformed services".

**SEC. 415. EFFECTIVE DATES.**

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this title shall take effect as of October 13, 1994.

(b) REORGANIZED TITLE 10 REFERENCES.—The amendments made by section 404(d) of this Act shall take effect as of December 1, 1994.

AMENDMENT NO. 5418

Mr. NICKLES. Mr. President, Senator SIMPSON has an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] for Mr. SIMPSON, for himself and Mr. ROCKEFELLER, proposes amendment numbered 5418.

Mr. NICKLES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. SIMPSON. Mr. President, I rise to speak briefly on S. 1711, the Veterans Benefits Improvements Act of 1996.

This bill is one of three major veterans' bills being considered this week by the Senate; the other two are S. 1791, a bill to provide cost of living increases to recipients of veterans' benefits, and H.R. 3118, a compromise measure crafted jointly by the members of the House and Senate Committees on Veterans' Affairs which would, among other things, reform the eligibility standards for VA health care. These three bills are the culmination of 2 years of work in the Veterans' Affairs Committee. They are all good bills, bills that have achieved bipartisan support within the Committee. They are also bills that, while they put into place useful, even vital, legislation—without "breaking the bank."

Time is becoming a precious commodity as the Senate winds down in these final days, so I will not overstay my welcome with a lengthy explanation of the contents of S. 1711. A detailed explanation of the original bill as reported by the Committee on Veterans' Affairs—and of the eight bills from which it is derived—is in the committee's report of the legislation. A detailed explanation of the bill, as it would be amended in accordance with an agreement reached with our House counterparts, is set out in the "Joint Explanatory Statement" which I request be made part of the RECORD. I will, however, summarize.

S. 1711, as reported, would, first, create a commission proposed by our former leader, Bob Dole. That commission, the Commission on Service Members and Veterans Transition Assistance, would study current programs designed to assist service members and veterans in readjusting to civilian life after service. Based on that analysis, it would report to the Congress its recommendations on how such programs might be improved.

I have yet to see a Government program, Mr. President, that cannot stand improvement, so I am confident that the next Congress will be provided with useful information on how we can better assist veterans in readjusting to civilian life.

S. 1711 would also put into place a number of reforms in VA-administered life insurance programs. Most notably, it would make lifetime insurance coverage available to retired reservists who now can only get such coverage until they are 61-years old. It would also facilitate the viatication—or cashing out—of life insurance policies by the terminally ill before they die. These are significant, and useful, reforms.

The bill would also redefine the term "Vietnam era" for purposes of VA programs. Some members of the Senate may be surprised to learn that the legal definition of the "Vietnam era" extends only from August 5, 1964—the date of the incident which gave rise to the Gulf of Tonkin resolution—until May 7, 1975. United States troops were in Vietnam, however, before that time, and by February 28, 1961, they were accompanying their Vietnamese counterparts on combat missions.

In short, U.S. troops were subjected to the real perils of ground combat at least as early as February 28, 1961. This bill would recognize that fact by redefining the term "Vietnam era" back to February 28, 1961 for purposes of most VA programs. This amendment is more than a symbolic one—though the symbolic value of recognizing the valor of those who were first into Vietnam should not be lost. Some VA benefits—most notably pension benefits to assist poor "wartime" veterans who are disabled due to non-service-connected injury or disease—are only available to those who served in wartime. It is entirely appropriate that such benefits be extended to those who actually faced peril in Vietnam before that war's "legal" starting date.

The bill would make a number of other constructive improvements to VA education, home loan, and burial benefit programs, and would also make necessary changes in procedures governing VA's adjudication of claims. I know that every Senator is concerned about the time it takes for VA to process a veteran's application for benefits. Progress is being made on that front—but more needs to be made.

Finally, Mr. President, this bill, as reported, would make a series of technical corrections to a massive piece of legislation approved by the 103d Congress, the Uniformed Services Employment and Reemployment Rights Act of 1994, Public Law 103-353. That bill was the product of a multiyear executive branch effort, spanning both the Bush and Clinton administrations, which resulted in a recommended updating of Veterans Reemployment Rights laws which dated back to World War II. Those laws, which allow service members to return to prior employment after service, had not been systematically reviewed since World War II. The 1994 legislation took care of that—and did so, I might add, after an extraordinary display of joint, cooperative effort by the executive and legislative branches, and by employer and veterans' groups. But, as is often the case in a massive restructuring of the law, the bill, as enacted, contained both ambiguities and technical oversights and errors. S. 1711 contains provisions to correct such problems.

Mr. President, the amendment to S. 1711 which I offer today contains each and all of these key provisions from S. 1711. It would add, however, a series of provisions adopted by the House in various bills which I—and the ranking

member, my good friend, Senator JAY ROCKEFELLER—have agreed to. Crucial among those provisions are amendments to the law which will have the effect of overturning the result reached by the Court of Veterans Appeals in the case, *Davenport v. Brown*, 7 Vet.App. 476 (1995). In that case, the Court construed existing law creating veterans' eligibility for vocational rehabilitation benefits, and ruled that since the statutes do not require that there be a connection between the veteran's service-connected disability and his or her employment handicap, VA could not impose such a requirement as a condition to the receipt of vocational rehabilitation benefits. That requirement—which VA had imposed by now-overturned regulations literally for decades—would be reinstated.

The House-enacted amendments to which we have agreed would also put into place a number of constructive changes to the "Montgomery GI Bill." It would provide for benefits to students participating in cooperative and open-circuit television programs. More importantly, it would allow certain previously ineligible persons—those eligible for the education benefits program in place before enactment of the Montgomery GI bill, and certain National Guard members and reservists—to "buy into" Montgomery GI bill benefits.

Finally, these additions would create equity with respect to benefits earned by deceased veterans. First, they would increase the benefits made available to the survivors of veterans who were entitled to VA compensation benefits, but who had not established their entitlement through VA's adjudication process before they died. S. 1711 would allow the survivors of such veterans to claim 2 years' worth of compensation. It would also allow the survivors of any veteran receiving compensation to retain compensation paid for the month within which the veteran died. Currently, Mr. President, VA requests that the veteran's widow refund money previously sent by VA.

As I said when I began these comments, S. 1711 is a good, thoughtful, useful bill. It is also a bill that does not "bust the budget." It is just the sort of legislation—good legislation that does not add to the deficit—that I was determined to guide through the Veterans' Affairs Committee when I assumed the chairmanship of the committee this Congress.

I recall that when I assumed the job of chairman in the 104th Congress—much to the chagrin of some so-called "leaders" of the veterans community—there was a good deal of gnashing of teeth. Worse, there was much distortion of what they assumed I planned to do. It was bandied about that I would cut veterans' benefits. Many assumed that, and based on that assumption, some service organizations fanned the flames of fear among veterans. Their assumptions about what I would seek to accomplish were grossly in error, as

this and other bills—and history—have shown. They were based, I can only surmise, on the mistaken belief that my zeal for restraining the growth in entitlements spending would lead me to cutting veterans' benefits. I, of course, had never proposed cuts—because cuts in entitlements' spending are not necessary to get control over the deficit. All that is required is restrained growth.

The bill before the Senate now reflects that sort of restraint. It includes positive, useful, constructive, bipartisan legislation that helps veterans, and does not contribute to the deficit. Such legislation is possible, if all start with the determination to craft that form of thoughtful legislation. I do thank the members of the Veterans' Affairs Committee, particularly the committee's ranking minority member, my friend, Senator "JAY" ROCKEFELLER, and the committee's staff, for working with me to put together that sort of legislation.

I urge the Senate's approval of S. 1711.

Mr. President, I ask unanimous consent that relevant material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### EXPLANATORY STATEMENT ON S. 1711, AS AMENDED

S. 1711, as amended, reflects a compromise agreement that the House and Senate Committees on Veterans' Affairs have reached on certain bills considered in the House of Representatives and the Senate during the 104th Congress. These are H.R. 1483, which passed the House on May 21, 1996; H.R. 2289, which passed the House on December 12, 1995; H.R. 3373, which passed the House on May 21, 1996; H.R. 3673, which passed the House on July 16, 1996; H.R. 3674, which passed the House on July 17, 1996 (hereinafter referred to in context as "House Bill"); and S. 1711, which passed the Senate on September 27, 1996 (hereinafter referred to as "Senate Bill").

The House and Senate Committees on Veterans' Affairs have prepared the following explanation of S. 1711, as amended (hereinafter referred to as the "Compromise Agreement"). Differences between the provisions contained in the Compromise Agreement and the related provisions in the above-mentioned bills are noted in this document, except for clerical corrections, conforming changes made necessary by the Compromise Agreement and minor drafting, technical and clarifying changes.

#### TITLE I—EDUCATION BENEFITS

##### REPEAL OF THE DAVENPORT DECISION

##### Current law

Since 1917, when vocational rehabilitation for veterans was established by law, a causal relationship between a veteran's service-connected disability and an employment handicap was required for service-disabled veterans to be eligible for vocational rehabilitation benefits. This nexus formed the basis for the original program and defined the Nation's responsibility for vocational rehabilitation to those veterans who incur or aggravate a disability while serving in our Armed Forces.

In 1980, Public Law 96-466 extensively revised vocational rehabilitation programs in chapter 31 of title 38 and the express statutory language requiring the causal relation-

ship was omitted. As a result, under current law, veterans seeking vocational rehabilitation benefits under chapter 31 satisfy the statutory requirements if they (1) have a compensable service-connected disability and (2) are found to be in need of rehabilitation because of an employment handicap. Nonetheless, when VA promulgated regulations related to the changes in the vocational rehabilitation programs, VA continued to require the causal relationship as it had in the past.

A 1995 Court of Veterans Appeals decision, *Davenport v. Brown*, 7 Vet.App. 476 (1995), found no statutory support for VA's regulations requiring a causal relationship between the service-connected disability and the employment handicap. As a result, VA estimated that the decision would produce 32,366 additional participants in vocational rehabilitation programs over 5 years—a 14.4 percent increase in participation and a 14.6 percent increase in entitlement spending.

##### House bill

Section 101 of H.R. 3674 would, in effect, reverse the *Davenport* decision, and reinstate original Congressional intent by restoring the requirement of a causal relationship between a veteran's service-connected disability and employment handicap for the purpose of awarding vocational rehabilitation benefits.

##### Senate bill

The Senate bill contains no comparable provision.

##### Compromise agreement

Section 101 follows the House bill.

##### ALTERNATIVE TEACHING CERTIFICATION PROGRAMS

##### Current law

A pilot program which provides Montgomery GI Bill benefits to persons pursuing State-approved alternative teacher programs through non-traditional educational institutions established under Public Law 103-446 and defined at section 3452(c) of title 38, United States Code, is set to expire on September 30, 1996. Such programs typically offer certification through a combination of course work and "student teaching" under the guidance of a certified teacher and are sponsored by educational institutions, such as State or local boards of education. The program saves both time and tuition for the new teacher.

##### House bill

Section 105 of H.R. 3674 would make the program permanent.

##### Senate bill

Section 305 of S. 1711 would extend the program for twenty-seven months.

##### Compromise agreement

Section 102 follows the House bill.

##### GI BILL "TWO-YEAR" RULE MODIFICATION

##### Current law

Under section 3689 of title 38, GI Bill benefits are not authorized for the pursuit of training unless the institution and course offered have been in operation for two years.

Under chapter 36 of title 38, GI Bill benefits are not authorized for courses offered on or through military bases under contract with the Department of Defense (DoD).

##### House bill

Section 201 of H.R. 3673 would: (a) remove the two year restriction on all degree granting institutions, including branch campuses (but not on non-degree granting institutions); (b) authorize the Secretary to approve

the use of GI Bill benefits for courses offered on or through military bases under contract with DoD; and (c) strengthen and clarify the requirements under which the State Approving Agencies approve courses.

#### *Senate bill*

The Senate bill contains no comparable provisions.

#### *Compromise agreement*

Section 103 follows the House bill.

ELIMINATION OF THE DISTINCTION BETWEEN OPEN CIRCUIT TV AND INDEPENDENT STUDY

#### *Current law*

Under section 3482(f) of title 38, a veteran who takes a course by open circuit TV, unlike other courses of independent study, must be concurrently enrolled in an in-residence course to receive educational assistance under the GI Bill.

#### *House bill*

Section 202 of H.R. 3673 would eliminate the requirement of being concurrently enrolled in an in-residence course, and would, for benefit purposes, make a course taught by open circuit TV equivalent to a course in independent study.

#### *Senate bill*

The Senate bill contains no comparable provision.

#### *Compromise agreement*

Section 104 follows the House bill.

COOPERATIVE PROGRAMS

#### *Current law*

Under sections 3032, 3231 and 3532(b), veterans enrolled in cooperative training programs—a combination of in-residence class work at an institution of higher learning and work experience at a job site—receive 80 percent of the full-time educational benefit rate.

#### *House bill*

Section 204 of H.R. 3673 would authorize veterans enrolled in cooperative training programs to receive the full amount of the educational benefit rate.

#### *Senate bill*

The Senate bill contains no comparable provision.

#### *Compromise agreement*

Section 105 follows the House bill.

ENROLLMENT OF VEAP PARTICIPANTS IN THE MONTGOMERY GI BILL

#### *Current law*

Chapter 32 authorizes the Secretary to operate the Veterans' Education Assistance Program (VEAP) for post-Vietnam servicemembers who enrolled after December 31, 1976 and before April 1, 1987. VEAP was the first VA contributory education benefit plan. Under VEAP, active duty servicemembers made voluntary contributions to an individual account which the federal government matched at a 2:1 ratio. The maximum participant contribution was \$2,700 and participants could elect to make a lump-sum contribution to the fund. In most cases, a veteran had 10 years in which to use the education benefit and/or make a claim for the unused contribution.

According to VA statistics, 18,927 persons used their VEAP entitlement in fiscal year 1995, which amounted to four percent of the total persons using VA training and education benefits. By comparison, the Montgomery GI Bill provided benefits to nearly 292,000 trainees, or 59 percent of the total.

#### *House bill*

Section 103 of H.R. 3674 would authorize servicemembers participating in VEAP to transfer to the Montgomery GI Bill.

#### *Senate bill*

The Senate bill contains no comparable provision.

#### *Compromise agreement*

Section 106 follows the House bill.

MONTGOMERY GI BILL ELIGIBILITY FOR CERTAIN CURRENT AND FORMER ACTIVE DUTY MEMBERS OF ARMY AND AIR NATIONAL GUARD

#### *Current law*

Current and former active duty members of the Army and Air National Guard who served between June 30, 1985 and November 29, 1989 are not eligible to participate in any VA education programs.

#### *House bill*

Section 104 of H.R. 3674 would provide eligibility for the Montgomery GI Bill to certain current and former active duty members of the Army and Air National Guard who served between June 30, 1985 and November 29, 1989.

#### *Senate bill*

The Senate bill contains no comparable provision.

#### *Compromise agreement*

Section 107 follows the House bill.

TITLE II—HOUSING AND MEMORIAL AFFAIRS

SUBTITLE A—HOUSING

ENHANCED LOAN ASSET SALE AUTHORITY

#### *Current law*

Section 3720(h) of title 38 authorizes VA to guarantee the timely payment of principal and interest to purchasers of real estate mortgage investment conduits (REMICs). REMICs are used to "bundle" and market a number of vendee loan notes—that is, notes on direct loans made by VA to purchasers of VA-acquired real estate—so that they may be sold for cash under favorable terms. Under this authority, VA guarantees to REMIC purchasers that principal and interest will be paid in a timely manner. That assurance facilitates the marketing of such securities and enhances their value in the marketplace and simultaneously reduces the interest paid by VA on the notes, thus increasing the return to the Treasury when such securities are sold.

VA's authority to guarantee REMICs expires on December 31, 1996.

#### *House bill*

Section 205 of H.R. 3673 would extend, through December 31, 1997, VA's authority to guarantee the timely payment of principal and interest to purchasers of REMICs.

#### *Senate bill*

The Senate bill contains no comparable provision.

#### *Compromise agreement*

Section 201 follows the House bill.

REFINANCING OF NATIVE AMERICAN HOME LOANS

#### *Current law*

Section 3762 authorizes the Secretary to make a direct housing loan to a Native American veteran if, at the time the loan is made, the Secretary and the tribal organization that has jurisdiction over the veteran have entered a memorandum of understanding with respect to such loans.

#### *House bill*

The House bill contains no provision relating to this matter.

#### *Senate bill*

Section 306 of S. 1711 would authorize the Secretary to make direct loans to Native American veterans in order to enable such veterans to refinance existing loans made under section 3762 providing the new interest rate is at least one percent below the existing mortgage.

#### *Compromise agreement*

Section 202 follows the Senate bill.

SUBTITLE B—MEMORIAL AFFAIRS

MINORS' BURIAL ELIGIBILITY

#### *Current law*

Prior to 1973, the Department of the Army operated national cemeteries. In 1973, this

function was transferred to the VA with an intent that similar eligibility rules should apply under the VA's management. Title 24 of United States Code, regarding the Army, defines the term "minor child" as a person under age 21. However, VA regulations at 38 C.F.R. 1.620(g) allow burial eligibility for a "minor child" if such a child was, at death, under 21 or under 23 and pursuing a course of instruction at an approved educational institution.

#### *House bill*

Section 201 of H.R. 3373 would clarify that for burial purposes, "minor child" includes students up to age 23 who had been pursuing a course of instruction at an approved educational institution, and amend section 2402(5) of title 38 to incorporate VA's regulatory definition.

#### *Senate bill*

Section 304 of S. 1711 contains an identical provision.

#### *Compromise agreement*

Section 211 contains this provision.

BURIAL BENEFITS FOR CERTAIN VETERANS WHO DIE IN STATE NURSING HOMES

#### *Current law*

Section 2303(a) authorizes VA to pay burial benefits for veterans who die in VA medical facilities or in facilities at which the veteran was receiving hospital or nursing home care under contract with VA.

#### *House bill*

Section 303 of H.R. 3673 would provide burial costs and transportation to the place of burial for a veteran who dies in a State nursing home.

#### *Senate bill*

The Senate bill contains no comparable provision.

#### *Compromise agreement*

Section 212 follows the House bill.

OUTER BURIAL RECEPTACLES

#### *Current law*

Section 2306(d) of title 38 requires the Secretary to provide grave liners for each new grave in a national cemetery in which remains are interred in a casket at no cost to the veteran's survivors. The Secretary of the Army is also authorized to provide a grave liner for such graves at Arlington National Cemetery.

#### *House bill*

The House bill contains no provision relating to this matter.

#### *Senate bill*

Section 303 of S. 1711 would require VA, and authorize the Secretary of the Army, to furnish grave liners or burial vaults or other casket receptacles as provided by regulations or procedures adopted to implement this statutory change. Such regulations or procedures would allow persons to elect burial receptacles other than grave liners and, if they did, would require them to pay any additional cost associated with such products and, in addition, an amount which reflects the administrative costs incurred in providing, and procuring, that product choice.

#### *Compromise agreement*

Section 213 follows the Senate bill.

TITLE III—EMPLOYMENT AND TRAINING

SUBTITLE A—VETERANS' EMPLOYMENT AND TRAINING

VETS REORGANIZATION

#### *Current law*

Section 4102A authorizes Veterans' Employment and Training (VETS) regional offices under the Secretary of Labor equal to the number of regional offices maintained by

the Department of Labor's Employment and Training Administration. VETS Regional Administrators are not required to be veterans.

Section 4103(a) authorizes full-time Federal clerical support personnel to be assigned to each State Directors for VETS in accordance with applicable provisions of title 5, United States Code.

Section 4103(b) requires each VETS State Director and Assistant State Director to be a resident of the state of appointment for at least two years prior to assuming the position.

#### *House bill*

Title II of H.R. 2289 would (a) reduce the number of VETS regional administrators to no fewer than five and require that each appointed after enactment of this bill be a veteran; (b) expand the duties of certain clerical personnel assigned to VETS State Directors to include more substantive VETS program responsibilities; (c) maintain the residency requirement except that an individual who had served as a VETS State Director or Assistant State Director for at least two years would become eligible for either position in any state; and (d) authorize the Secretary of Labor to conduct a pilot program to investigate methods of service delivery to veterans.

#### *Senate bill*

The Senate bill contains no comparable provisions.

#### *Compromise agreement*

The Compromise Agreement incorporates some of the provisions of the House bill. It requires that each Regional Administrator appointed after enactment of the bill be a veteran, and follows paragraphs (b) and (d) described in the House bill.

SUBTITLE B—TECHNICAL AMENDMENTS RELATING TO THE UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT OF 1994

#### USERRA TECHNICAL AMENDMENTS

#### *Current law*

The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) revised chapter 43 of title 38, United States Code, which safeguards the employment and reemployment rights of members of the uniformed services. Because the laws are complex and technical, the Committee anticipated that as the law was implemented, minor problems would occur and future technical amendments would be necessary to clarify the intent of Congress.

#### *House bill*

Title III of H.R. 2289 would make technical amendments to chapter 43 of title 38.

#### *Senate bill*

Title IV of S. 1711 contains substantially identical provisions.

#### *Compromise agreement*

In sections 311-313, the Compromise Agreement contains these provisions.

#### TITLE IV—VETERANS LIFE INSURANCE PROGRAMS

#### SERVICEMEN'S GROUP LIFE INSURANCE PROGRAM AMENDMENTS

#### *Current law*

Under chapter 19 of title 38, the VA administers six life insurance programs and supervises the administration of two others for the benefit of servicemembers, veterans and their beneficiaries. The two programs supervised by the VA, Servicemen's Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI), are administered under a contract with the Prudential Insurance Company. SGLI provides low cost group life insurance to persons on active duty, ready and

retired reservists, and persons in several other uniformed services. VGLI, a post-separation insurance program, provides for the conversion of SGLI policies to five-year renewable term policies. When members of the Ready Reserve retire with 20 years of service or are transferred to the Retired Reserve they may continue their SGLI coverage until they receive their first retired paycheck or reach age 61, whichever occurs first. Servicemembers covered by SGLI policies may not convert their insurance to commercial policies upon separation. Upon separation, they must convert to VGLI policies, and VGLI policies may not be converted to commercial policies for 5 years. The Department of Defense is not required to furnish information about life insurance programs.

#### *House bill*

Sections 101-104 of H.R. 3373 would (a) merge the Retired Reservists' component of SGLI with VGLI and make lifetime coverage under VGLI available to Retired Reservists; (b) give insureds an option to convert the VGLI policies to commercial policies at any time; (c) require the appropriate Secretary to furnish general information about life insurance to servicemembers; and (d) change the name of Servicemen's Group Life Insurance to Servicemembers' Group Life Insurance.

#### *Senate bill*

Title II of S. 1711 contains substantially identical provisions, except for the House provision described in (c).

#### *Compromise agreement*

In sections 401-406, the Compromise Agreement follows the House Bill.

#### TITLE V—DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE MATTERS

#### VA CENTERS FOR MINORITY AND WOMEN VETERANS

#### *Current law*

Section 317 of title 38 established a Center for Minority Veterans in VA and section 318 established a Center for Women Veterans in VA. Each Center is run by a director who is required to be a noncareer appointee in the Senior Executive Service, appointed for a six year term.

#### *House bill*

The House bill contains no provision relating to this matter.

#### *Senate bill*

Section 302 of S. 1711 would (a) allow career and noncareer appointees to be directors of the centers; (b) expand the functions of the Center for Minority Veterans and clarify functions of the Center for Women Veterans in order to make the functions of the centers more parallel; and (c) extend, through December 31, 1999, the Advisory Committee on Minority Veterans.

#### *Compromise agreement*

Section 501 follows the Senate bill.

#### REPEAL OF INCARCERATED VETERANS' CLOTHING ALLOWANCE

#### *Current law*

Under chapter 53 of title 38, VA is required to pay a clothing allowance to each veteran, who, because of a service-connected disability, wears or uses a prosthetic or orthopedic appliance which tends to wear out or tear clothing. VA also makes clothing allowance payments to each veteran who uses medication prescribed for a service-connected skin condition and whose outer garments sustain irreparable damage due to the use of that medication.

#### *House bill*

Section 104 of H.R. 3673 would add a new section 5313A to title 38 which would require

VA to withhold payment on a pro-rated basis to veterans incarcerated for more than 60 days in penal institutions and who receive institutional clothing at no personal expense.

#### *Senate bill*

Section 307 of S. 1711 contains a substantively identical provision.

#### *Compromise agreement*

Section 502 contains this provision.

#### EXTENSION OF VETERANS' CLAIMS ADJUDICATION COMMISSION

#### *Current law*

Section 402 of the Veterans' Benefits Improvements Act of 1994 (Public Law 103-446) established the Veterans' Claims Adjudication Commission to study the processes and procedures of the VA for the adjudication, resolution, review and final disposition of VA benefits claims. On April 23, 1996, the Chairman of the Veterans' Claims Adjudication Commission submitted a request for an extension in order to complete the study requirements set forth in Public Law 103-446.

#### *House bill*

Section 105 of H.R. 3673 would authorize the extension of the Commission's final report deadline from May 2, 1996 to December 31, 1996. Section 105 of H.R. 3673 would also authorize an additional \$75,000 in fiscal year 1996 and \$75,000 in the first two quarters of fiscal year 1997. These funds would be available in either fiscal year.

#### *Senate bill*

The Senate bill contains no comparable provision.

#### *Compromise agreement*

Section 503 follows the House bill.

#### PILOT PROGRAM FOR USE OF CONTRACT PHYSICIANS FOR DISABILITY EXAMINATIONS

#### *Current law*

Physicians employed by the Veterans Health Administration may conduct disability examinations of applicants for VA benefits. There is no express provision in current law relating to the use of contract physicians for disability examinations of applicants for VA benefits.

#### *House bill*

Section 103 of H.R. 3673 would establish a pilot program for the use of contract physicians for disability examinations at up to 10 VA regional offices.

#### *Senate bill*

The Senate Bill contains no comparable provision.

#### *Compromise agreement*

Section 504 follows the House bill. The Compromise Agreement contains a requirement that the costs of the pilot program be paid from the Compensation and Pensions account.

#### DEFINITION OF VIETNAM ERA

#### *Current law*

Section 101(29) of title 38 defines the term "Vietnam era" as the period beginning August 5, 1964 and ending on May 7, 1975.

#### *House bill*

The House bill contains no provision relating to this matter.

#### *Senate bill*

Section 301 of S. 1711 would: (a) change the beginning date of the Vietnam era from August 5, 1964 to February 28, 1961 in the case of a veteran who served in the Republic of Vietnam for purposes of VA programs generally; and (b) change the beginning date of the Vietnam era to January 9, 1962 for VA benefits and health care eligibility provisions which presume that the veteran had been exposed to herbicides and defoliants while in the Republic of Vietnam.

*Compromise agreement*

Section 505 follows the Senate bill.

EFFECTIVE DATE OF DISCONTINUANCE OF CERTAIN VETERANS' BENEFITS BY REASON OF DEATH OF RECIPIENT

*Current law*

Section 5112(b) authorizes the Secretary to reduce or discontinue the payment of compensation, dependency and indemnity compensation, or pension benefits when the recipient marries or remarries or dies. The effective date of such a reduction or discontinuance is the last day of the month before the marriage, remarriage or death occurs.

*House bill*

Section 201 of H.R. 3674 would permit a surviving spouse to retain compensation or pension payments pro rated to the day of the death, instead of the last day of the previous month. The effective date for this provision would be October 1, 1997.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

Section 506 follows the House bill but changes date of payment to the last day of the month in which the veteran dies. Where under section 506, the surviving spouse who has been paid benefits for the full month in which the veteran died, is subsequently determined to be entitled to DIC or pension, it is expected that VA will reduce the award of DIC or pension by the amount of benefits paid to the surviving spouse for the month of the veteran's death.

INCREASE OF ACCRUED BENEFITS PAYABLE AFTER DEATH

*Current law*

Section 5121 authorizes the Secretary to make payments of accrued benefits to survivors for one year when the veteran dies prior to complete adjudication of a VA claim.

*House bill*

Section 202 of H.R. 3674 would authorize the Secretary to make payments of accrued benefits to survivors for two years when the veteran dies prior to complete adjudication of a VA claim.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

Section 507 follows the House bill.

BVA PROVISIONS

*Current law*

The Court of Veterans Appeals invalidated the Board of Veterans' Appeals (Board) past practice of mailing decisions in *Trammell v. Brown*, 6 Vet. App. 181 (1994). Section 7104(e) of title 38, United States Code, specifies that "the Board shall promptly mail a copy of its written decision to the claimant and the claimant's authorized representative (if any)." Prior to this decision, the Board's method of "mailing" a copy of a decision to a representative depended on where the representative was located. For a representative at the Board's offices in Washington, D.C., a contractor hand-delivered the Board decision to the representative. For a representative at a VA regional office, the Board gave the decision to the contractor, who "bundled" mail for the 58 VA regional offices and delivered the bundles to the U.S. Postal Service. Upon receipt, each regional office sorted its bundled mail and distributed any Board decision to the appropriate representative at that regional office. For a representative at an office at a VA facility, the Board mailed its decision directly to the representative.

The Court of Veterans Appeals held that the phrase "the Board shall promptly mail" in section 7104(e) means that the Board decision must be delivered directly by the Board into the custody of the U.S. Postal Service. This decision precluded a Board employee or contractor from delivering a decision to a service organization representative. Rather, the Board is currently required to deliver the decision to the U.S. Postal Service.

Section 5902 of title 38 authorizes the Secretary to recognize representatives of certain veterans service organizations in the preparation, presentation and prosecution of VA benefit claims.

*House bill*

The House bill contains no provisions relating to this matter.

*Senate bill*

Section 309 of S. 1711 would (a) permit the Board to send its decisions to claimants' representatives by any means reasonably calculated to provide them with a copy of the decision within the same time a copy of the decision sent by first-class mail would be expected to reach them; and (b) permit VA to treat a claimant's power of attorney as an appointment of an entire service organization as the claimant's representative, unless the claimant specifically indicates a desire to limit the power of attorney to a specific representative of an organization. In cases where no such specific indication is made, when the Secretary is required or permitted to notify a claimant's representative, the Secretary would be authorized to notify the organization at the address designated by the organization for such purposes.

*Compromise agreement*

Section 508 follows the Senate bill.

VA EDUCATION SERVICE

*Current law*

The VA's Education Service is currently located in Washington, D.C. However, the VA has proposed to move its offices to St. Louis, MO as part of the Veterans Benefits Administration's effort to restructure.

*House bill*

Section 202 of H.R. 3373 would require VA's Education Service to be located in Washington, D.C.

*Senate bill*

The Senate bill contains no comparable provisions.

*Compromise agreement*

Section 509 would prohibit the VA from expending any appropriated funds to move VA's Education Service from its current location in Washington, DC prior to December 31, 1997.

## TITLE VI—OTHER MATTERS

HOMELESS VETERANS' REINTEGRATION PROJECT

*Current law*

The Department of Labor administers the Homeless Veterans' Reintegration Project (HVRP) which is designed to help indigent and homeless veterans return to society as productive citizens. Veterans are estimated to account for one-third of the adult male homeless population. Aided by community-based organizations, the program places homeless veterans in jobs. In the past, the program had been funded at \$5 million per year, but in fiscal year 1996, HVRP did not receive an annual appropriation. Rather, the Appropriations Committee urged the Secretary of Labor to fund the program from a discretionary spending account. Public Law 103-446 indicated the sense of Congress that organizations dedicated to serving homeless veterans should receive a share of federal funds devoted to the homeless in a proportion roughly equal to the percentage of vet-

erans among the general homeless population.

*House bill*

Section 206 of H.R. 3673 would authorize appropriations to the program at \$10,000,000 per year for fiscal years 1997 through 1999.

*Senate bill*

Section 310 of S. 1711 would authorize appropriations to the program at \$10,000,000 per year for fiscal years 1997 and 1998.

*Compromise agreement*

Section 601 follows the Senate bill.

REPAIR AND LONG-TERM MAINTENANCE OF WAR MEMORIALS

*Current law*

Under title 36, United States Code, the American Battle Monuments Commission (ABMC) is not authorized to accept monetary donations for the maintenance of overseas memorials for which ABMC has accepted responsibility from private entities.

*House bill*

Section 301 of H.R. 3673 would authorize the ABMC to accept monetary donations for the maintenance of overseas memorials determined by the ABMC to be of sufficient importance to warrant long term Federal responsibility.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

Section 602 follows the House bill except that ABMC may not accept monetary donations until it adopts reporting and accounting systems.

TITLE VII—COMMISSION ON TRANSITION ASSISTANCE

COMMISSION ON SERVICE MEMBERS AND VETERANS TRANSITION ASSISTANCE

*Current law*

There is no provision in current law relating to the establishment of a commission to evaluate the programs of the Federal Government that assist members of the Armed Forces and veterans in readjusting to civilian life.

*House bill*

The House bill contains no provision relating to this matter.

*Senate bill*

Title I of S. 1711 would establish a Commission on Service Members and Veterans Transition Assistance to evaluate the programs of the Federal Government that assist members of the Armed Forces and veterans in readjusting to civilian life. The Commission would review the efficacy and appropriateness of such existing programs.

*Compromise agreement*

Title VII follows the Senate bill but clarifies the duties of both Commission panels regarding transition and veterans benefits programs, and makes other perfecting amendments.

ADDITIONAL MATTERS: CLEAR AND UNMISTAKABLE ERROR

*Current law*

Under 38 C.F.R. 3.105(a), decisions made by VA regional offices are subject to review on the grounds of clear and unmistakable error. Decisions made by the Board of Veterans' Appeals are not subject to this standard of review by law or regulation.

*House bill*

H.R. 1483 would codify this regulation as it applies to VA regional office decisions and extend the principle underlying it to Board decisions.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

The Compromise Agreement contains no provision relating to this matter.

## PRESUMPTION THAT BRONCHIOLO-ALVEOLAR CANCER IS SERVICE-CONNECTED

*Current law*

Section 1112(c) lists certain diseases that are presumed to be service-connected in radiation exposed veterans. Veterans diagnosed with such diseases are eligible for compensation benefits.

*House bill*

Section 101 of H.R. 3673 would add bronchiolo-alveolar carcinoma, a radiation-related cancer of the lung, to the list of presumptive service-connected diseases which manifest in radiation exposed veterans.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

The Compromise Agreement contains no provision relating to this matter.

## PRESUMPTION OF PERMANENT/TOTAL DISABILITY IF A VETERAN IS 65 YEARS OF AGE AND IN A NURSING HOME

*Current law*

Under section 1502(a), a person is considered to be permanently and totally disabled if such a person is unemployable as a result of a disability which is reasonably certain to continue throughout the life of the person. A person is also considered to be permanently and totally disabled if suffering from any disability which renders it impossible for the average person to be gainfully employed throughout the person's life. The Secretary may also make a determination that any disease or disorder renders a person permanently and totally disabled.

*House bill*

Section 102 of H.R. 3673 would provide a presumption of permanent and total disability for veteran nursing home patients over the age of 65.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

The Compromise Agreement contains no provision relating to this matter.

## MEDICAL QUALIFICATIONS FOR FLIGHT TRAINING

*Current law*

Sections 3034(d)(2) and 3241(b)(2) of title 38 and section 16136(c) of title 10 authorizes education benefits to a veteran enrolled in a course of flight instruction provided a commercial pilot medical certificate is maintained throughout flight training. If VA later discovers that the veteran's medical certification has lapsed during training, an overpayment may be created.

*House bill*

Section 203 of H.R. 3673 would authorize payment of educational benefits for flight training provided the veteran meets the medical requirements for a commercial pilot's certificate at the beginning of training and within 60 days after completion of training.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

The Compromise Agreement contains no provision relating to this matter.

## INCREASE IN MONTGOMERY GI BILL—ACTIVE DUTY RATES

*Current law*

Section 3015(b)(1) authorizes the Secretary to award basic monthly education benefits of

\$416.62 for full-time education training and \$338.51 for two-year enlistees.

*House bill*

Section 102 of H.R. 3674 would increase the basic monthly education benefit for full-time education training and two-year enlistees by \$5 to \$421.62 and \$343.51, respectively.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

The Compromise Agreement follows the Senate bill.

## INCREASE IN AUTOMOBILE ALLOWANCE

*Current law*

Section 3902(a) authorizes the Secretary to make a one-time grant of \$5,500 toward the purchase of an automobile to severely disabled veterans if their disability is the result of an injury incurred or disease contracted in or aggravated by military service.

*House bill*

Section 203 of H.R. 3674 would authorize the Secretary to increase the automobile allowable from \$5,500 to \$6,500.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

The Compromise Agreement contains no provision relating to this matter.

## COURT OF VETERANS APPEALS PRO BONO PROGRAM

*Current law*

There is no provision in current law which relates to legal assistance for financially needy veterans in connection with Court of Veterans Appeals (the Court) proceedings. In fiscal years 1992 through 1995, a discrete line-item appropriation was included in the Court's budget and designated for transfer to the Pro Bono Program's administrator, the Legal Services Corporation. In fiscal year 1996, the Court's operating funds were appropriated through successive continuing resolutions which did not include such a discrete line-item appropriation.

*House bill*

Section 204 of H.R. 3674 would fund the Pro Bono Program for six years at \$700,000 per year, with an increase of three percent per year. The three percent per year increase would begin in fiscal year 1998. Section 204 would fund the Program through VA's Compensation and Pension account, based on savings realized as a result of the reversal of the Davenport decision pursuant to section 101 of the Compromise Agreement. This amount would be reduced during each of the six years by any appropriation enacted for operation of the Program.

*Senate bill*

The Senate bill contains no comparable provision.

*Compromise agreement*

The Compromise Agreement contains no provision relating to this matter.

## S. 1711 AS AMENDED (PAY-GO PROVISIONS)

	1997	1998	1999	2000	2001	2002
Sec. 101: Budget authority	-20	-39	-56	-56	-56	-57
Outlays	-20	-39	-56	-56	-56	-57
Sec. 102: Budget authority	1	1	1	1	1	1
Outlays	1	1	1	1	1	1
Sec. 103: Budget authority	*	*	*	*	*	*
Outlays	*	*	*	*	*	*
Sec. 104: Budget authority	*	*	*	*	*	*
Outlays	*	*	*	*	*	*
Sec. 105: Budget authority	*	*	*	*	*	*
Outlays	*	*	*	*	*	*
Sec. 106: Budget authority	5	2	2	3	3	3
Outlays	5	2	2	3	3	3
Sec. 107: Budget authority	-4	4	5	4	3	2
Outlays	-4	4	5	4	3	2

## S. 1711 AS AMENDED (PAY-GO PROVISIONS)—Continued

	1997	1998	1999	2000	2001	2002
Sec. 201: Budget authority	-4	-1	0	0	0	0
Outlays	-4	-1	0	0	0	0
Sec. 202: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 211: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 212: Budget authority	*	*	*	*	*	*
Outlays	*	*	*	*	*	*
Sec. 213: Budget authority	*	*	*	*	*	*
Outlays	*	*	*	*	*	*
Sec. 301: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 302: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 303: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 311: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 312: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 313: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 401: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 402: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 403: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 404: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 405: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 406: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 501: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 502: Budget authority	-1	-1	-1	-1	-1	-1
Outlays	-1	-1	-1	-1	-1	-1
Sec. 503: Budget authority	*	*	*	*	*	*
Outlays	*	*	*	*	*	*
Sec. 504: Budget authority	9	9	9	10	10	11
Outlays	7	9	9	10	10	11
Sec. 505: Budget authority	*	*	*	*	*	*
Outlays	*	*	*	*	*	*
Sec. 506: Budget authority	14	14	16	16	16	16
Outlays	13	14	16	17	14	16
Sec. 507: Budget authority	3	3	3	3	3	3
Outlays	3	3	3	3	3	3
Sec. 508: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 509: Budget authority	0	0	0	0	0	0
Outlays	0	0	0	0	0	0
Sec. 510: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 601: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 602: Budget authority	*	*	*	*	*	*
Outlays	*	*	*	*	*	*
Sec. 701: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 702: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 703: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 704: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 705: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 706: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 707: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Sec. 708: Budget authority	*	*	Discretionary	*	*	*
Outlays	*	*	Discretionary	*	*	*
Total:						
Budget authority	3	-8	-21	-20	-21	-22
Outlays	0	-8	-21	-19	-23	-22

Mr. ROCKEFELLER. Mr. President, as the Ranking Minority Member of the Committee on Veterans' Affairs, I am enormously pleased that the Senate is considering S. 1711, a bill that would make amendments to a number of veterans benefits and services. I urge my colleagues to give their unanimous support to this measure as it will be amended with a final compromise developed by the two Veterans' Affairs Committees.

Mr. President, because a description of all of the provisions of this measure—which I will refer to as the “compromise agreement”—are set forth in the explanatory statement which Senator SIMPSON will place in the RECORD, I will just discuss some of the issues which are of particular interest to me. The explanatory statement was developed in cooperation with the House Committee on Veterans' Affairs and

that Committee's Chairman, Bob Stump, will insert the same explanatory statement in the RECORD when the House considers this measure.

#### OVERTURNING THE DAVENPORT DECISION

Mr. President, section 101 of the compromise agreement amends various provisions of chapter 31 of title 38, United States Code, to effectively reverse the results of the decision of the U.S. Court of Veterans Appeals in *Davenport v. Brown*, 7 Vet. App. 476 (1995).

In the Davenport decision, the Court invalidated VA regulations relating to eligibility for VA vocational rehabilitation benefits, holding that the VA regulations, which required the showing of a connection between a veteran's service-connected disability and the veteran's employment handicap, were not consistent with the underlying law.

Because the facts of the case—in terms of the background of the veteran claimant, his disability, the apparent lack of any employment handicap related to that disability, and the vocational rehabilitation benefit he sought—were so egregious and because of the potential results of the Court's decision on other claimants for vocational rehabilitation benefits, many seemed to challenge the validity of the Court's action.

While I am fully supportive of the provision in the compromise agreement which will reverse the result of the decision, I think it is vital that all understand that the Court's decision was proper and completely correct. The Court was not ruling on the merits of the veteran claimant's disability or on the veteran's need for vocational rehabilitation services. Rather, the Court was ruling on the narrow, legal question—was VA's regulation which was being challenged authorized by the underlying statutory scheme.

Mr. President, reviewing the validity of VA regulations is just one of the vital functions for which the Court was established, one that the Court carries out very well. Rather than expressing any concern about the Court's decision in the Davenport case, we should applaud the Court for its action in ruling that VA had overstepped its legal authority in issuing the regulation in question. To the extent there was a problem in the law that the veteran in that case sought to exploit—and there was—the fault lies with the Congress for our failure to have included the requirement that there be a connection between a veteran's disability and employment handicap when we revised chapter 31 in 1980 in Public Law 96-466.

#### CONVERSION OF CERTAIN VA LIFE INSURANCE

Mr. President, I am very pleased that the compromise agreement contains a provision, in section 403, which would permit individuals covered by either of two VA insurance programs—SGLI, Servicemembers' Group Life Insurance, and VGLI, Veterans' Group Life Insurance—to convert their policies to commercial policies at any time, rather than, as under current law, being unable to convert a SGLI policy to any-

thing other than a VGLI policy upon leaving active duty and then having to wait five years after leaving service to convert a VGLI policy to a commercial policy.

There are numerous advantages to this change but one of the key ones—and the reason I highlight this provision—is the opportunity it will afford an individual with a terminal illness to convert his or her SGLI or VGLI policy, which can not otherwise be converted prior to death, to a commercial policy. The commercial policy would then be available for conversion to cash through one of two means—acceleration, in which an insured collects on an insurance policy prior to death, or the viatication process, in which an insured sells the policy to a viatical agent who collects at the time of the insured's death.

#### EXTENSION OF VETERANS' CLAIMS ADJUDICATION COMMISSION

Mr. President, as one of the authors of the legislation, enacted in Public Law 103-446, which established the Veterans' Claims Adjudication Commission, and as one of the Commission's major proponents, I am delighted that the compromise agreement, in section 503, contains a provision which extends the Commission through the end of this year so as to enable it to complete its work. The preliminary report, submitted by the Commission earlier this year, showed the depth and breadth of the Commission's work and I look forward with anticipation to the Commission's final report.

#### EXTENSION OF PERIOD OF VIETNAM ERA FOR CERTAIN VETERANS

Mr. President, for purposes of veterans benefits, the "Vietnam era" is defined in title 38 as the period beginning on August 5, 1964, and ending on May 7, 1975. The starting date is tied to the incident in the Gulf of Tonkin which led to the adoption of the Tonkin Gulf Resolution on August 7. However, prior to that time, U.S. forces had been serving in Vietnam for a number of years. Under current law, any individual who served in Vietnam but who left active duty prior to August 1964 is not considered a Vietnam era veteran.

An effort has been underway in the Senate for a number of years, dating back to the early 1980's, to amend title 38 to provide for an earlier starting date for the Vietnam era for those veterans who served in Vietnam. However, despite Senate passage on at least four prior occasions, the House has never agreed to this change.

Finally, Mr. President, we have, this year, reached agreement with our colleagues in the House and the compromise agreement, in section 505, would amend the definition to provide that the Vietnam era includes the period between February 28, 1961, and August 4, 1964, for those who served in Vietnam during that period. The date of February 28, 1961, was chosen because that is the approximate date on which American military advisers began to accompany their Vietnamese

counterparts on military missions and, as such, is used as the starting date for the Vietnam conflict in a number of other contexts.

#### INCREASE IN AMOUNT OF ACCRUED BENEFITS

Mr. President, as my colleagues know, the VA claims adjudication system is under serious stress and there are frequently great delays in the processing of claims. With these significant delays, there often are awards of significant back due benefits, dating back to when a claim was first filed, when claims are finally awarded. However, under current law, when a veteran dies while pursuing a claim for benefits, if the claim is ultimately awarded, the veteran's survivors are limited to so-called accrued benefits, which are limited to a maximum of one year's worth of benefits. This result applies, regardless of what the size of the award would have been had the veteran been able to pursue the claim to its conclusion. This result frequently deprives survivors of significant benefits.

Mr. President, I think this result is wrong and should be corrected. My preference is to eliminate the limit on accrued benefits totally. However, there is a need for more information on such an effort, especially the cost implications, before it can move forward. As a first step, therefore, I am pleased that the compromise agreement contains, in section 507, a provision which extends the period of accrued benefits from 1 to 2 years.

Mr. President, in closing, I acknowledge the work of my colleagues in the House, Chairman BOB STUMP and the ranking minority member, SONNY MONTGOMERY, and our committee's chairman, Senator SIMPSON, in developing the comprehensive legislation.

Mr. President, I thank the staff who have worked extremely long and hard on this compromise—JILL COCHRAN, Beth Kiker, Pat Ryan, Mike Brinck, Kingston Smith, and others on the House committee, and Bill Brew, Jim Gottlieb, Bill Tuerk, Chris Yoder, and Tom Harvey with the Senate committee. I also thank Bob Cover and Charlie Armstrong of the House and Senate Offices of Legislative Counsel for their excellent assistance and support in drafting the compromise agreement.

Mr. NICKLES. Mr. President, I ask unanimous consent that the amendment be agreed to, the committee amendment, as amended, be agreed to, the bill be deemed read a third time, and passed, and the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 5418) was agreed to.

The committee amendment, as amended, was agreed to.

The bill (S. 1711), as amended, was deemed read the third time and passed, as follows:



S. 1711

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the "Veterans' Benefits Improvements Act of 1996".

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.  
Sec. 2. References to title 38, United States Code.

**TITLE I—EDUCATION BENEFITS**

Sec. 101. Employment handicap for which an individual may receive training and rehabilitation assistance.  
Sec. 102. Permanent authority for alternative teacher certification programs.  
Sec. 103. Period of operation for approval.  
Sec. 104. Elimination of distinction between open circuit TV and independent study.  
Sec. 105. Cooperative programs.  
Sec. 106. Enrollment of certain VEAP participants in Montgomery GI Bill.  
Sec. 107. Montgomery GI Bill eligibility for certain active duty members of Army and Air National Guard.

**TITLE II—HOUSING AND MEMORIAL AFFAIRS****Subtitle A—Housing**

Sec. 201. Extension of enhanced loan asset sale authority.  
Sec. 202. Direct loans to refinance loans under Native American veteran housing loan pilot program.

**Subtitle B—Memorial Affairs**

Sec. 211. Clarification of eligibility of minors for burial in national cemeteries.  
Sec. 212. Burial benefits for certain veterans who die in State nursing homes.  
Sec. 213. Outer burial receptacles.

**TITLE III—EMPLOYMENT AND TRAINING****Subtitle A—Veterans' Employment and Training**

Sec. 301. Regional Administrator.  
Sec. 302. Support personnel for Directors of Veterans' Employment and Training.  
Sec. 303. Pilot program to integrate and streamline functions of local veterans' employment representatives.

**Subtitle B—Technical Amendments Relating to the Uniformed Services Employment and Reemployment Rights Act of 1994**

Sec. 311. Amendments to chapter 43 of title 38, United States Code.  
Sec. 312. Amendments to transition rules and effective dates.  
Sec. 313. Effective dates.

**TITLE IV—VETERANS LIFE INSURANCE PROGRAMS**

Sec. 401. Short title.  
Sec. 402. Merger of Retired Reserve Servicemembers' Group Life Insurance and Veterans' Group Life Insurance and extension of Veterans' Group Life Insurance to members of the Ready Reserve.  
Sec. 403. Conversion of SGLI and VGLI to commercial life insurance policy.  
Sec. 404. Information to be provided members concerning automatic maximum coverage of \$200,000 under Servicemen's Group Life Insurance.

Sec. 405. Renaming of Servicemen's Group Life Insurance program.

Sec. 406. Technical amendment.

**TITLE V—DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE MATTERS**

Sec. 501. Revision of authority relating to Centers for Minority Veterans and Women Veterans.  
Sec. 502. Limitation on clothing allowance for incarcerated veterans.  
Sec. 503. Extension of Veterans' Claims Adjudication Commission.  
Sec. 504. Pilot program for use of contract physicians for disability examinations.  
Sec. 505. Expansion of period of Vietnam era for certain veterans.  
Sec. 506. Payment of benefit to surviving spouse for month in which veteran dies.  
Sec. 507. Increase in period for which accrued benefits payable.  
Sec. 508. Appointment of veterans service organizations as claimants' representatives.  
Sec. 509. Provision of copies of Board of Veterans' Appeals decisions.  
Sec. 510. Limitation on relocation or reduction in staffing of certain elements of the Education Service of the Veterans Benefits Administration.

**TITLE VI—OTHER MATTERS**

Sec. 601. Extension of certain authorities for services for homeless veterans.  
Sec. 602. Repair and long-term maintenance of war memorials.

**TITLE VII—COMMISSION ON SERVICEMEMBERS AND VETERANS TRANSITION ASSISTANCE**

Sec. 701. Establishment of Commission.  
Sec. 702. Duties of Commission.  
Sec. 703. Powers of Commission.  
Sec. 704. Miscellaneous administrative provisions.  
Sec. 705. Commission personnel matters.  
Sec. 706. Termination of Commission.  
Sec. 707. Definitions.  
Sec. 708. Funding.

**SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.**

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

**TITLE I—EDUCATION BENEFITS****SEC. 101. EMPLOYMENT HANDICAP FOR WHICH AN INDIVIDUAL MAY RECEIVE TRAINING AND REHABILITATION ASSISTANCE.**

(a) **DEFINITIONS.**—Section 3101 is amended—

(1) in paragraph (1), by inserting ", resulting in substantial part from a disability described in section 3102(1)(A) of this title," after "impairment";

(2) in paragraph (6), by inserting "authorized under section 3120 of this title" after "assistance"; and

(3) in paragraph (7), by inserting ", resulting in substantial part from a service-connected disability rated at 10 percent or more," after "impairment".

(b) **BASIC ENTITLEMENT.**—Section 3102 is amended—

(1) in paragraph (1)(A)(i), by striking out "which is" and all that follows through "chapter 11 of this title and" and inserting in lieu thereof "rated at 20 percent or more";

(2) in paragraph (2)(A), by striking out "which is" and all that follows through "chapter 11 of this title and" and inserting in lieu thereof "rated at 10 percent"; and

(3) by amending paragraph (2)(B) to read as follows:

"(B) is determined by the Secretary to be in need of rehabilitation because of a serious employment handicap.".

(c) **PERIODS OF ELIGIBILITY.**—Section 3103 is amended—

(1) in subsection (b)(3), by striking out "described in section 3102(1)(A)(i) of this title" and inserting in lieu thereof "rated at 10 percent or more";

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking out "particular" and inserting in lieu thereof "current"; and

(B) in paragraph (2), by striking out "veteran's employment" and inserting in lieu thereof "veteran's current employment"; and

(3) in subsection (d), by striking out "under this chapter" and inserting in lieu thereof "in accordance with the provisions of section 3120 of this title".

(d) **SCOPE OF SERVICES AND ASSISTANCE.**—Section 3104 is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking out "such veteran's disability or disabilities cause" and inserting in lieu thereof "the veteran has an employment handicap or"; and

(ii) by inserting "reasonably" after "goal is";

(B) in paragraph (7)(A)—

(i) by striking out "(i)"; and

(ii) by striking out ", and (ii)" and all that follows through "such Act"; and

(C) in paragraph (12), by striking out "For the most severely disabled veterans requiring" and inserting in lieu thereof "For veterans with the most severe service-connected disabilities who require"; and

(2) by striking out subsection (b) and redesignating subsection (c) as subsection (b).

(e) **DURATION OF REHABILITATION PROGRAMS.**—Paragraph (1) of section 3105(c) is amended by striking out "veteran's employment" and inserting in lieu thereof "veteran's current employment".

(f) **INITIAL AND EXTENDED EVALUATIONS; DETERMINATIONS REGARDING SERIOUS EMPLOYMENT HANDICAP.**—(1) Section 3106 is amended—

(A) in subsection (a), by striking out "described in clause (i) or (ii) of section 3102(1)(A) of this title" and inserting in lieu thereof "rated at 10 percent or more";

(B) in subsection (b), by striking out "counseling in accordance with";

(C) in subsection (c), by striking out "with extended" and inserting in lieu thereof "with an extended"; and

(D) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and inserting after subsection (c) the following new subsection:

"(d) In any case in which the Secretary has determined that a veteran has a serious employment handicap and also determines, following such initial and any such extended evaluation, that achievement of a vocational goal currently is not reasonably feasible, the Secretary shall determine whether the veteran is capable of participating in a program of independent living services and assistance under section 3120 of this title."

(2) Chapter 31 is amended—

(A) in section 3107(c)(2), by striking out "3106(e)" and inserting in lieu thereof "3106(f)";

(B) in section 3109, by striking out "3106(d)" and inserting in lieu thereof "3106(e)";

(C) in section 3118(c), by striking out "3106(e)" and inserting in lieu thereof "3106(f)"; and

(D) in section 3120(b), by striking out "3106(d)" and inserting in lieu thereof "3106(d) or (e)".

(g) **ALLOWANCES.**—Section 3108 is amended—

(1) in subsection (a)(2), by striking out "following the conclusion of such pursuit" and inserting in lieu thereof "while satisfactorily following a program of employment services provided under section 3104(a)(5) of this title"; and

(2) in subsection (f)(1)—

(A) in subparagraph (A)—

(i) by inserting "eligible for and" after "veteran is";

(ii) by striking out "chapter 30 or 34" and inserting in lieu thereof "chapter 30"; and

(iii) by striking out "either chapter 30 or chapter 34" and inserting in lieu thereof "chapter 30"; and

(B) in subparagraph (B), by striking out "chapter 30 or 34" and inserting in lieu thereof "chapter 30".

(h) EMPLOYMENT ASSISTANCE.—Paragraph (1) of section 3117(a) is amended by inserting "rated at 10 percent or more" after "disability".

(i) PROGRAM OF INDEPENDENT LIVING SERVICES AND ASSISTANCE.—Section 3120 is amended—

(1) in subsection (b), by striking out "service-connected disability described in section 3102(1)(A)" and inserting in lieu thereof "serious employment handicap resulting in substantial part from a service-connected disability described in section 3102(1)(A)(i)"; and

(2) in subsection (d), by striking out "and (b)".

(j) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) The amendments made by subsection (a) (other than paragraph (2)), subsection (d) (other than subparagraphs (A) and (B) of paragraph (1)), and subsection (i) shall only apply with respect to claims of eligibility or entitlement to services and assistance (including claims for extension of such services and assistance) under chapter 31 of title 38, United States Code, received by the Secretary of Veterans Affairs on or after the date of the enactment of this Act, including those claims based on original applications, and applications seeking to reopen, revise, reconsider, or otherwise adjudicate or readjudicate on any basis claims for services and assistance under such chapter.

#### **SEC. 102. PERMANENT AUTHORITY FOR ALTERNATIVE TEACHER CERTIFICATION PROGRAMS.**

Subsection (c) of section 3452 is amended by striking out "For the period ending on September 30, 1996, such" and inserting in lieu thereof "Such".

#### **SEC. 103. PERIOD OF OPERATION FOR APPROVAL.**

(a) IN GENERAL.—(1) Chapter 36 is amended—

(A) by striking out section 3689; and

(B) by striking out the item relating to section 3689 in the table of sections at the beginning of such chapter.

(2) Subparagraph (C) of section 3680A(d)(2) is amended by striking out "3689(b)(6) of this title" and inserting in lieu thereof "subsection (g)".

(b) DISAPPROVAL OF ENROLLMENT IN CERTAIN COURSES.—Section 3680A is amended by adding after subsection (d) the following new subsections:

"(e) The Secretary may not approve the enrollment of an eligible veteran in a course not leading to a standard college degree offered by a proprietary profit or proprietary nonprofit educational institution if—

"(1) the educational institution has been operating for less than two years;

"(2) the course is offered at a branch of the educational institution and the branch has been operating for less than two years; or

"(3) following either a change in ownership or a complete move outside its original gen-

eral locality, the educational institution does not retain substantially the same faculty, student body, and courses as before the change in ownership or the move outside the general locality (as determined in accordance with regulations the Secretary shall prescribe) unless the educational institution following such change or move has been in operation for at least two years.

"(f) The Secretary may not approve the enrollment of an eligible veteran in a course as a part of a program of education offered by an educational institution if the course is provided under contract by another educational institution or entity and—

"(1) the Secretary would be barred under subsection (e) from approving the enrollment of an eligible veteran in the course of the educational institution or entity providing the course under contract; or

"(2) the educational institution or entity providing the course under contract has not obtained approval for the course under this chapter.

"(g) Notwithstanding subsections (e) and (f), the Secretary may approve the enrollment of an eligible veteran in a course approved under this chapter if the course is offered by an educational institution under contract with the Department of Defense or the Department of Transportation and is given on or immediately adjacent to a military base, Coast Guard station, National Guard facility, or facility of the Selected Reserve."

(c) APPROVAL OF ACCREDITED COURSES.—Subsection (b) of section 3675 is amended to read as follows:

"(b) As a condition of approval under this section, the State approving agency must find the following:

"(1) The educational institution keeps adequate records, as prescribed by the State approving agency, to show the progress and grades of the eligible person or veteran and to show that satisfactory standards relating to progress and conduct are enforced.

"(2) The educational institution maintains a written record of the previous education and training of the eligible person or veteran that clearly indicates that appropriate credit has been given by the educational institution for previous education and training, with the training period shortened proportionately.

"(3) The educational institution and its approved courses meet the criteria of paragraphs (1), (2), and (3) of section 3676(c) of this title."

#### **SEC. 104. ELIMINATION OF DISTINCTION BETWEEN OPEN CIRCUIT TV AND INDEPENDENT STUDY.**

(a) VETERANS' EDUCATIONAL ASSISTANCE PROGRAM.—Subsection (f) of section 3482 is amended by striking out "in part".

(b) SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE.—Section 3523 is amended—

(1) in subsection (a)(4), by inserting "(including open circuit television)" after "independent study program" the second place it appears; and

(2) in subsection (c), by striking out "radio" and all that follows through the end and inserting in lieu thereof "radio".

(c) ADMINISTRATION OF EDUCATIONAL BENEFITS.—Subsection (c) of section 3680A is amended by striking out "radio" and all that follows through the end and inserting in lieu thereof "radio".

#### **SEC. 105. COOPERATIVE PROGRAMS.**

(a) CHAPTER 30.—Section 3032 is amended by striking out subsection (d) and redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(b) CHAPTER 32.—Section 3231 is amended by striking out subsection (d) and redesign-

ating subsections (e) and (f) as subsections (d) and (e), respectively.

(c) CHAPTER 35.—Subsection (b) of section 3532 is amended by striking out "\$327" and inserting in lieu thereof "\$404".

(d) CHAPTER 1606.—Section 16131 of title 10, United States Code, is amended—

(1) by striking out subsection (e) and redesignating subsections (f), (g), (h), (i), and (j) as subsections (e), (f), (g), (h), and (i), respectively; and

(2) in subsection (b)(1), by striking out "(g)" and inserting in lieu thereof "(f)".

#### **SEC. 106. ENROLLMENT OF CERTAIN VEAP PARTICIPANTS IN MONTGOMERY GI BILL.**

(a) IN GENERAL.—Subchapter II of chapter 30 is amended by inserting after section 3018B the following new section:

##### **"§3018C. Opportunity for certain VEAP participants to enroll"**

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is a participant on the date of the enactment of the Veterans' Benefits Improvements Act of 1996 in the educational benefits program provided by chapter 32 of this title;

"(2) is serving on active duty (excluding the periods referred to in section 3202(1)(C) of this title) on such date;

"(3) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree;

"(4) if discharged or released from active duty during the one-year period specified in paragraph (5), is discharged or released therefrom with an honorable discharge; and

"(5) during the one-year period beginning on the date of the enactment of the Veterans' Benefits Improvements Act of 1996, makes an irrevocable election to receive benefits under this section in lieu of benefits under chapter 32 of this title, pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section or which the Secretary of Transportation shall provide for such purpose with respect to the Coast Guard when it is not operating as a service in the Navy;

may elect to become entitled to basic educational assistance under this chapter.

"(b) With respect to an individual who makes an election under subsection (a) to become entitled to basic education assistance under this chapter—

"(1) the basic pay of the individual shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is \$1,200; or

"(2) to the extent that basic pay is not so reduced before the individual's discharge or release from active duty as specified in subsection (a)(4), the Secretary shall collect from the individual an amount equal to the difference between \$1,200 and the total amount of reductions under paragraph (1), which shall be paid into the Treasury of the United States as miscellaneous receipts.

"(c)(1) Except as provided in paragraph (3), an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(5) shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) to the individual, as provided in section 3223(b) of this title and subject to subsection (b)(2) of this section, the unused contributions made by the individual to the

Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

“(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

“(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to subsection (c) of section 3222 of this title on behalf of any individual referred to in paragraph (1) shall remain in such account to make payments of benefits to such individual under section 3015(f) of this title.

“(d) The procedures provided in regulations referred to in subsection (a) shall provide for notice of the requirements of subparagraphs (B), (C), and (D) of section 3011(a)(3) and of subparagraph (A) of section 3012(a)(3) of this title. Receipt of such notice shall be acknowledged in writing.”

(b) CONFORMING AMENDMENTS.—(1) The table of sections at the beginning of chapter 30 is amended by inserting after the item relating to section 3018B the following new item:

“3018C. Opportunity for certain VEAP participants to enroll.”

(2) Subsection (d) of section 3013 is amended by striking out “or 3018B” and inserting in lieu thereof “, 3018B, or 3018C”.

(3) Subsection (f) of section 3015 is amended by inserting “, 3018B, or 3018C” after “section 3018A”.

(c) TRANSFER OF EDUCATIONAL ASSISTANCE FUNDS.—(1) Subparagraph (B) of section 3232(b)(2) is amended—

(A) by striking out “, for the purposes of section 1322(a) of title 31,”; and

(B) by striking out “as provided in such section” and inserting in lieu thereof “to the Secretary for payments for entitlement earned under subchapter II of chapter 30”.

(2) Paragraph (1) of section 3035(b) is amended by inserting before the period at the end the following: “and from transfers from the Post-Vietnam Era Veterans Education Account pursuant to section 3232(b)(2)(B) of this title”.

#### **SEC. 107. MONTGOMERY GI BILL ELIGIBILITY FOR CERTAIN ACTIVE DUTY MEMBERS OF ARMY AND AIR NATIONAL GUARD.**

(a) IN GENERAL.—Paragraph (7) of section 3002 is amended by striking out “November 29, 1989” and inserting in lieu thereof “June 30, 1985”.

(b) APPLICATION.—(1) An individual may only become eligible for benefits under chapter 30 of title 38, United States Code, as a result of the amendment made by subsection (a) by making an election to become entitled to basic educational assistance under such chapter. The election may only be made during the nine-month period beginning on the date of the enactment of this Act and in the manner required by the Secretary of Defense.

(2) In the case of any individual making an election under paragraph (1)—

(A) the basic pay of an individual who, while a member of the Armed Forces, makes an election under paragraph (1) shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is \$1,200; or

(B) to the extent that basic pay is not so reduced before the individual's discharge or release from active duty, the Secretary of Veterans Affairs shall collect from an individual who makes such an election an amount equal to the difference between \$1,200 and the total amount of reductions under subparagraph (A), which amount shall be paid into the Treasury as miscellaneous receipts.

(3) In the case of any individual making an election under paragraph (1), the 10-year period referred to in section 3031 of such title shall begin on the later of—

(A) the date determined under such section 3031; or

(B) the date on which the election under paragraph (1) becomes effective.

### **TITLE II—HOUSING AND MEMORIAL AFFAIRS**

#### **Subtitle A—Housing**

##### **SEC. 201. EXTENSION OF ENHANCED LOAN ASSET SALE AUTHORITY.**

Paragraph (2) of section 3720(h) is amended by striking out “December 31, 1996” and inserting in lieu thereof “December 31, 1997”.

##### **SEC. 202. DIRECT LOANS TO REFINANCE LOANS UNDER NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM.**

(a) AUTHORITY.—Section 3762 is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection (h):

“(h)(1) The Secretary may make direct loans to Native American veterans in order to enable such veterans to refinance existing loans made under this section.

“(2)(A) The Secretary may not make a loan under this subsection unless the loan meets the requirements set forth in subparagraphs (B), (C), and (E) of paragraph (1) of section 3710(e) of this title.

“(B) The Secretary may not make a loan under this subsection unless the loan will bear an interest rate at least one percentage point less than the interest rate borne by the loan being refinanced.

“(C) Paragraphs (2) and (3) of such section 3710(e) shall apply to any loan made under this subsection, except that for the purposes of this subsection the reference to subsection (a)(8) of section 3710 of this title in such paragraphs (2) and (3) shall be deemed to be a reference to this subsection.”

(b) LOAN FEE.—Section 3729(a)(2)(E) is amended by striking out “or 3712(a)(1)(F)” and inserting in lieu thereof “3712(a)(1)(F), or 3762(h)”.

#### **Subtitle B—Memorial Affairs**

##### **SEC. 211. CLARIFICATION OF ELIGIBILITY OF MINORS FOR BURIAL IN NATIONAL CEMETERIES.**

Section 2402(5) is amended by inserting after “minor child” the following: “(which for purposes of this chapter includes a child under 21 years of age, or under 23 years of age if pursuing a course of instruction at an approved educational institution)”.

##### **SEC. 212. BURIAL BENEFITS FOR CERTAIN VETERANS WHO DIE IN STATE NURSING HOMES.**

Subsection (a) of section 2303 is amended to read as follows:

“(a)(1) When a veteran dies in a facility described in paragraph (2), the Secretary shall—

“(A) pay the actual cost (not to exceed \$300) of the burial and funeral or, within such limits, may make contracts for such services without regard to the laws requiring advertisement for proposals for supplies and services for the Department; and

“(B) when such a death occurs in a State, transport the body to the place of burial in the same or any other State.

“(2) A facility described in this paragraph is—

“(A) a Department facility (as defined in section 1701(4) of this title) to which the deceased was properly admitted for hospital, nursing home, or domiciliary care under section 1710 or 1711(a) of this title; or

“(B) an institution at which the deceased veteran was, at the time of death, receiving—

“(i) hospital care in accordance with section 1703 of this title;

“(ii) nursing home care under section 1720 of this title; or

“(iii) nursing home care for which payments are made under section 1741 of this title.”

##### **SEC. 213. OUTER BURIAL RECEPTACLES.**

(a) IN GENERAL.—Subsection (d) of section 2306 is amended—

(1) in paragraph (1), by striking out “a grave liner” each place it appears and inserting in lieu thereof “an outer burial receptacle”;

(2) in paragraph (2)—

(A) by striking out “grave liners” and inserting in lieu thereof “outer burial receptacles”; and

(B) by striking out “specifications and procedures” and inserting in lieu thereof “regulations or procedures”; and

(3) by adding at the end the following:

“(3) Regulations or procedures under paragraph (2) may specify that—

“(A) an outer burial receptacle other than a grave liner be provided in lieu of a grave liner at the election of the survivors of the interred veteran; and

“(B) if an outer burial receptacle other than a grave liner is provided in lieu of a grave liner upon an election of such survivors, such survivors be required—

“(i) to pay the amount by which the cost of the outer burial receptacle exceeds the cost of the grave liner that would otherwise have been provided in the absence of the election; and

“(ii) to pay the amount of the administrative costs incurred by the Secretary (or, with respect to Arlington National Cemetery, the Secretary of the Army) in providing the outer burial receptacle in lieu of such grave liner.

“(4) Regulations or procedures under paragraph (2) may provide for the use of a voucher system, or other system of reimbursement approved by the Secretary (or, with respect to Arlington National Cemetery, the Secretary of the Army), for payment for outer burial receptacles other than grave liners provided under such regulations or procedures.”

(b) CONFORMING AMENDMENTS.—(1) The heading of such section is amended to read as follows:

##### **“§2306. Headstones, markers, and burial receptacles”.**

(2) The table of sections at the beginning of chapter 23 is amended by striking out the item relating to section 2306 and inserting in lieu thereof the following new item:

“2306. Headstones, markers, and burial receptacles.”

### **TITLE III—EMPLOYMENT AND TRAINING**

#### **Subtitle A—Veterans' Employment and Training**

##### **SEC. 301. REGIONAL ADMINISTRATOR.**

Paragraph (1) of section 4102A(e) is amended by adding at the end the following: “Each Regional Administrator appointed after the date of the enactment of the Veterans' Benefits Improvements Act of 1996 shall be a veteran.”

##### **SEC. 302. SUPPORT PERSONNEL FOR DIRECTORS OF VETERANS' EMPLOYMENT AND TRAINING.**

Subsection (a) of section 4103 is amended—

(1) in the first sentence, by striking out “full-time Federal clerical support” and inserting in lieu thereof “full-time Federal clerical or other support personnel”; and

(2) in the third sentence, by striking out “Full-time Federal clerical support personnel” and inserting in lieu thereof “Full-time Federal clerical or other support personnel”.

**SEC. 303. PILOT PROGRAM TO INTEGRATE AND STREAMLINE FUNCTIONS OF LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.**

(a) **AUTHORITY TO CONDUCT PILOT PROGRAM.**—In order to assess the effects on the timeliness and quality of services to veterans resulting from re-focusing the staff resources of local veterans' employment representatives, the Secretary of Labor may conduct a pilot program under which the primary responsibilities of local veterans' employment representatives will be case management and the provision and facilitation of direct employment and training services to veterans.

(b) **AUTHORITIES UNDER CHAPTER 41.**—To implement the pilot program, the Secretary of Labor may suspend or limit application of those provisions of chapter 41 of title 38, United States Code (other than sections 4104(b)(1) and (c)) that pertain to the Local Veterans' Employment Representative Program in States designated by the Secretary under subsection (d), except that the Secretary may use the authority of such chapter, as the Secretary may determine, in conjunction with the authority of this section, to carry out the pilot program. The Secretary may collect such data as the Secretary considers necessary for assessment of the pilot program. The Secretary shall measure and evaluate on a continuing basis the effectiveness of the pilot program in achieving its stated goals in general, and in achieving such goals in relation to their cost, their effect on related programs, and their structure and mechanisms for delivery of services.

(c) **TARGETED VETERANS.**—Within the pilot program, eligible veterans who are among groups most in need of intensive services, including disabled veterans, economically disadvantaged veterans, and veterans separated within the previous four years from active military, naval, or air service shall be given priority for service by local veterans' employment representatives. Priority for the provision of service shall be given first to disabled veterans and then to the other categories of veterans most in need of intensive services in accordance with priorities determined by the Secretary of Labor in consultation with appropriate State labor authorities.

(d) **STATES DESIGNATED.**—The pilot program shall be limited to not more than five States to be designated by the Secretary of Labor.

(e) **REPORTS TO CONGRESS.**—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives an interim report describing in detail the development and implementation of the pilot program on a State by State basis.

(2) Not later than 120 days after the expiration of this section under subsection (h), the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a final report evaluating the results of the pilot program and make recommendations based on the evaluation, which may include legislative recommendations.

(f) **DEFINITIONS.**—For the purposes of this section:

(1) The term "veteran" has the meaning given such term by section 101(2) of title 38, United States Code.

(2) The term "disabled veteran" has the meaning given such term by section 4211(3) of such title.

(3) The term "active military, naval, or air service" has the meaning given such term by section 101(24) of such title.

(g) **ALLOCATION OF FUNDS.**—Any amount otherwise available for fiscal year 1997, 1998,

or 1999 to carry out section 4102A(b)(5) of title 38, United States Code, with respect to a State designated by the Secretary of Labor pursuant to subsection (d) shall be available to carry out the pilot program during that fiscal year with respect to that State.

(h) **EXPIRATION DATE.**—The authority to carry out the pilot program under this section shall expire on October 1, 1999.

**Subtitle B—Technical Amendments Relating to the Uniformed Services Employment and Reemployment Rights Act of 1994**

**SEC. 311. AMENDMENTS TO CHAPTER 43 OF TITLE 38, UNITED STATES CODE.**

Chapter 43 is amended as follows:

(1) Section 4301(a)(2) is amended by striking out "under honorable conditions".

(2) Section 4303(16) is amended by inserting "national" before "emergency".

(3) Section 4311 is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) An employer may not discriminate in employment against or take any adverse employment action against any person because such person (1) has taken an action to enforce a protection afforded any person under this chapter, (2) has testified or otherwise made a statement in or in connection with any proceeding under this chapter, (3) has assisted or otherwise participated in an investigation under this chapter, or (4) has exercised a right provided for in this chapter. The prohibition in this subsection shall apply with respect to a person regardless of whether that person has performed service in the uniformed services.

"(c) An employer shall be considered to have engaged in actions prohibited—

"(1) under subsection (a), if the person's membership, application for membership, service, application for service, or obligation for service in the uniformed services is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such membership, application for membership, service, application for service, or obligation for service; or

"(2) under subsection (b), if the person's (A) action to enforce a protection afforded any person under this chapter, (B) testimony or making of a statement in or in connection with any proceeding under this chapter, (C) assistance or other participation in an investigation under this chapter, or (D) exercise of a right provided for in this chapter, is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such person's enforcement action, testimony, statement, assistance, participation, or exercise of a right.

"(d) The prohibitions in subsections (a) and (b) shall apply to any position of employment, including a position that is described in section 4312(d)(1)(C) of this title."

"(c) An employer shall be considered to have engaged in actions prohibited—

"(1) under subsection (a), if the person's membership, application for membership, service, application for service, or obligation for service in the uniformed services is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such membership, application for membership, service, application for service, or obligation for service; or

"(2) under subsection (b), if the person's (A) action to enforce a protection afforded any person under this chapter, (B) testimony or making of a statement in or in connection with any proceeding under this chapter, (C) assistance or other participation in an investigation under this chapter, or (D) exercise of a right provided for in this chapter, is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such person's enforcement action, testimony, statement, assistance, participation, or exercise of a right.

"(d) The prohibitions in subsections (a) and (b) shall apply to any position of employment, including a position that is described in section 4312(d)(1)(C) of this title."

"(c) An employer shall be considered to have engaged in actions prohibited—

"(1) under subsection (a), if the person's membership, application for membership, service, application for service, or obligation for service in the uniformed services is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such membership, application for membership, service, application for service, or obligation for service; or

"(2) under subsection (b), if the person's (A) action to enforce a protection afforded any person under this chapter, (B) testimony or making of a statement in or in connection with any proceeding under this chapter, (C) assistance or other participation in an investigation under this chapter, or (D) exercise of a right provided for in this chapter, is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such person's enforcement action, testimony, statement, assistance, participation, or exercise of a right.

"(d) The prohibitions in subsections (a) and (b) shall apply to any position of employment, including a position that is described in section 4312(d)(1)(C) of this title."

"(c) An employer shall be considered to have engaged in actions prohibited—

"(1) under subsection (a), if the person's membership, application for membership, service, application for service, or obligation for service in the uniformed services is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such membership, application for membership, service, application for service, or obligation for service; or

"(2) under subsection (b), if the person's (A) action to enforce a protection afforded any person under this chapter, (B) testimony or making of a statement in or in connection with any proceeding under this chapter, (C) assistance or other participation in an investigation under this chapter, or (D) exercise of a right provided for in this chapter, is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such person's enforcement action, testimony, statement, assistance, participation, or exercise of a right.

"(d) The prohibitions in subsections (a) and (b) shall apply to any position of employment, including a position that is described in section 4312(d)(1)(C) of this title."

"(c) An employer shall be considered to have engaged in actions prohibited—

"(1) under subsection (a), if the person's membership, application for membership, service, application for service, or obligation for service in the uniformed services is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such membership, application for membership, service, application for service, or obligation for service; or

"(2) under subsection (b), if the person's (A) action to enforce a protection afforded any person under this chapter, (B) testimony or making of a statement in or in connection with any proceeding under this chapter, (C) assistance or other participation in an investigation under this chapter, or (D) exercise of a right provided for in this chapter, is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such person's enforcement action, testimony, statement, assistance, participation, or exercise of a right.

agency declared by the President or the Congress, as determined by the Secretary concerned";

(III) by striking out "section 673b" in subparagraph (C) and inserting in lieu thereof "section 12304"; and

(IV) by striking out "section 3500 or 8500" in subparagraph (E) and inserting in lieu thereof "section 12406"; and

(C) in subsection (d)(2)(C), by striking out "is brief or for a nonrecurrent period and without a reasonable expectation" and inserting in lieu thereof "is for a brief, nonrecurrent period and there is no reasonable expectation".

(5) Section 4313(a)(4) is amended—

(A) by striking out "uniform services" in subparagraph (A)(ii) and inserting in lieu thereof "uniformed services"; and

(B) by striking out "of lesser status and pay which" and inserting in lieu thereof "which is the nearest approximation to a position referred to first in clause (A)(i) and then in clause (A)(ii) which".

(6) Section 4316(d) is amended by adding at the end the following new sentence: "No employer may require any such person to use vacation, annual, or similar leave during such period of service."

(7) Section 4317(a) is amended—

(A) by striking out "(a)(1)(A) Subject to paragraphs (2) and (3), in" and inserting in lieu thereof "(a)(1) In";

(B) by redesignating clauses (i) and (ii) of paragraph (1) (as amended by subparagraph (A) of this paragraph) as subparagraphs (A) and (B), respectively;

(C) by redesignating subparagraph (B) as paragraph (2); and

(D) by redesignating subparagraph (C) as paragraph (3), and in that paragraph by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively.

(8) The last sentence of section 4318(b)(2) is amended by striking out "services," and inserting in lieu thereof "services, such payment period".

(9) Section 4322 is amended—

(A) in the second sentence of subsection (d) by inserting "attempt to" before "resolve"; and

(B) in subsection (e)—

(i) in the matter preceding paragraph (1), by striking out "with respect to a complaint under subsection (d) are unsuccessful," and inserting in lieu thereof "with respect to any complaint filed under subsection (a) do not resolve the complaint."; and

(ii) in paragraph (2), by inserting "or the Office of Personnel Management" after "Federal executive agency".

(10) Section 4323(a) is amended—

(A) in paragraph (1), by striking out "of an unsuccessful effort to resolve a complaint"; and

(B) in paragraph (2)(A), by striking out "regarding the complaint under section 4322(c)" and inserting in lieu thereof "under section 4322(a)".

(11) Section 4324 is amended—

(A) in subsection (a)(1), by striking out "of an unsuccessful effort to resolve a complaint relating to a Federal executive agency";

(B) in subsection (b)—

(i) in the matter preceding paragraph (1), by inserting "or the Office of Personnel Management" after "Federal executive agency"; and

(ii) in paragraph (1), by striking out "regarding a complaint under section 4322(c)" and inserting in lieu thereof "under section 4322(a)"; and

(C) in subsection (c)(2)—

(i) by inserting "or the Office of Personnel Management" after "Federal executive agency"; and

(ii) by striking out "employee" and inserting in lieu thereof "Office".

(12) Section 4325(d)(1) is amended—

(A) by striking out ", alternative employment in the Federal Government under this chapter."; and

(B) by striking out "employee" the last place it appears and inserting in lieu thereof "employees".

(13) Section 4326(a) is amended by inserting "have reasonable access to and the right to interview persons with information relevant to the investigation and shall" after "at all reasonable times.".

#### SEC. 312. AMENDMENTS TO TRANSITION RULES AND EFFECTIVE DATES.

(a) REEMPLOYMENT.—Section 8(a) of the Uniformed Services Employment and Reemployment Rights Act of 1994 (Public Law 103-353; 108 Stat. 3175; 38 U.S.C. 4301 note) is amended—

(1) in paragraph (3), by adding at the end thereof the following: "Any service begun up to 60 days after the date of the enactment of this Act, which is served up to 60 days after the date of the enactment of this Act pursuant to orders issued under section 502(f) of title 32, United States Code, shall be considered under chapter 43 of title 38, United States Code, as in effect on the day before such date of enactment. Any service pursuant to orders issued under such section 502(f) served after 60 days after the date of the enactment of this Act, regardless of when begun, shall be considered under the amendments made by this Act."; and

(2) in paragraph (4), by striking out "such period" and inserting in lieu thereof "such 60-day period".

(b) INSURANCE.—Section 8(c)(2) of such Act is amended by striking out "person on active duty" and inserting in lieu thereof "person serving a period of service in the uniformed services".

#### SEC. 313. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle shall take effect as of October 13, 1994.

(b) REORGANIZED TITLE 10 REFERENCES.—The amendments made by clause (i), and subclauses (I), (III), and (IV) of clause (ii), of section 311(4)(B) shall take effect as of December 1, 1994.

### TITLE IV—VETERANS LIFE INSURANCE PROGRAMS

#### SEC. 401. SHORT TITLE.

This title may be cited as the "Veterans' Insurance Reform Act of 1996".

#### SEC. 402. MERGER OF RETIRED RESERVE SERVICEMEMBERS' GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE AND EXTENSION OF VETERANS' GROUP LIFE INSURANCE TO MEMBERS OF THE READY RESERVE.

(a) DEFINITIONS.—Section 1965(5) is amended—

(1) by adding "and" at the end of subparagraph (B);

(2) by striking out subparagraphs (C) and (D); and

(3) by redesignating subparagraph (E) as subparagraph (C).

(b) PERSONS INSURED.—Section 1967 is amended—

(1) in subsection (a)—

(A) by inserting "and" at the end of paragraph (1);

(B) by striking out paragraphs (3) and (4); and

(C) in the matter following paragraph (2), by striking out "or the first day a member of the Reserves, whether or not assigned to the Retired Reserve of a uniformed service, meets the qualifications of section 1965(5)(C) of this title, or the first day a member of the

Reserves meets the qualifications of section 1965(5)(D) of this title."; and

(2) by striking out subsection (d).

(c) DURATION AND TERMINATION OF COVERAGE.—Section 1968 is amended—

(1) in subsection (a)—

(A) by striking out "subparagraph (B), (C), or (D) of section 1965(5)" in the matter preceding paragraph (1) and inserting in lieu thereof "section 1965(5)(B)";

(B) by striking out the period at the end of paragraphs (1) and (2) and inserting in lieu thereof a semicolon;

(C) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and";

(D) in paragraph (4)—

(i) by striking out "one hundred and twenty days after" in the matter preceding subparagraph (A) and all that follows through "(A) unless on" and inserting in lieu thereof "120 days after separation or release from such assignment, unless on";

(ii) by striking out "prior to the expiration of one hundred and twenty days" and inserting in lieu thereof "before the end of 120 days";

(iii) by striking out the semicolon after "such assignment" and inserting in lieu thereof a period; and

(iv) by striking out subparagraphs (B) and (C); and

(E) by striking out paragraphs (5) and (6); and

(2) in subsection (b), by striking out the last two sentences.

(d) DEDUCTIONS.—Section 1969 is amended—

(1) in subsection (a)(2), by striking out "is assigned to the Reserve (other than the Retired Reserve)" and all that follows through "section 1965(5)(D) of this title.";

(2) by striking out subsection (e); and

(3) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(e) CONVERSION OF SGLI TO VGLI.—The Servicemembers' Group Life Insurance of any member of the Retired Reserve of a uniformed service shall be converted to Veterans' Group Life Insurance effective 90 days after the date of the enactment of this Act.

#### SEC. 403. CONVERSION OF SGLI AND VGLI TO COMMERCIAL LIFE INSURANCE POLICY.

(a) OPTION TO CONVERT SGLI.—Subsection (b) of section 1968, as amended by section 402(c)(2), is amended—

(1) by inserting "(1)" after "(b)" at the beginning of the subsection;

(2) by striking out "would cease," in the first sentence and all that follows through the period at the end of the sentence and inserting in lieu thereof "would cease—

"(A) shall be automatically converted to Veterans' Group Life Insurance, subject to (i) the timely payment of the initial premium under terms prescribed by the Secretary, and (ii) the terms and conditions set forth in section 1977 of this title; or

"(B) at the election of the member, shall be converted to an individual policy of insurance as described in section 1977(e) of this title upon written application for conversion made to the participating company selected by the member and payment of the required premiums."; and

(3) by designating the second sentence as paragraph (2) and in that sentence striking out "Such automatic conversion" and inserting in lieu thereof "Automatic conversion to Veterans' Group Life Insurance under paragraph (1)".

(b) VGLI CONVERSION.—Section 1977 is amended—

(1) in subsection (a)—

(A) by inserting "(1)" after "(a)";

(B) by striking out the last two sentences; and

(C) by adding at the end the following:

"(2) If any person insured under Veterans' Group Life Insurance again becomes insured under Servicemembers' Group Life Insurance but dies before terminating or converting such person's Veterans' Group Life Insurance, Veterans' Group Life Insurance shall be payable only if such person is insured for less than \$200,000 under Servicemembers' Group Life Insurance, and then only in an amount which, when added to the amount of Servicemembers' Group Life Insurance payable, does not exceed \$200,000."; and

(2) in subsection (e)—

(A) in the first sentence, by inserting "at any time" after "shall have the right"; and

(B) by striking out the third sentence and inserting in lieu thereof the following: "The Veterans' Group Life Insurance policy converted to an individual policy under this subsection shall terminate on the day before the date on which the individual policy becomes effective.".

#### SEC. 404. INFORMATION TO BE PROVIDED MEMBERS CONCERNING AUTOMATIC MAXIMUM COVERAGE OF \$200,000 UNDER SERVICEMEN'S GROUP LIFE INSURANCE.

Section 1967, as amended by section 402(b), is further amended by inserting after subsection (c) the following new subsection (d):

"(d) Whenever a member has the opportunity to make an election under subsection (a) not to be insured under this subchapter, or to be insured under this subchapter in an amount less than the maximum amount of \$200,000, and at such other times periodically thereafter as the Secretary concerned considers appropriate, the Secretary concerned shall furnish to the member general information concerning life insurance. Such information shall include—

"(1) the purpose and role of life insurance in financial planning;

"(2) the difference between term life insurance and whole life insurance;

"(3) the availability of commercial life insurance; and

"(4) the relationship between Servicemembers' Group Life Insurance and Veterans' Group Life Insurance.".

#### SEC. 405. RENAMING OF SERVICEMEN'S GROUP LIFE INSURANCE PROGRAM.

(a) IN GENERAL.—The program of insurance operated by the Secretary of Veterans Affairs under subchapter III of chapter 19 of title 38, United States Code, is hereby redesignated as the Servicemembers' Group Life Insurance program.

(b) AMENDMENTS TO CHAPTER 19.—Chapter 19 is amended as follows:

(1) The following provisions are amended by striking out "Servicemen's Group Life Insurance" each place it appears and inserting in lieu thereof "Servicemembers' Group Life Insurance":

(A) Subsections (a), (c), and (e) of section 1967.

(B) Section 1968(b).

(C) Subsections (a) through (d) of section 1969.

(D) Subsections (a), (f), and (g) of section 1970.

(E) Section 1971(b).

(F) Section 1973.

(G) The first sentence of section 1974(a).

(H) Subsections (a), (d), and (g) of section 1977.

(2)(A) The heading of subchapter III is amended to read as follows:

"SUBCHAPTER III—SERVICEMEMBERS' GROUP LIFE INSURANCE".

(B) The heading of section 1974 is amended to read as follows:

"§ 1974. Advisory Council on Servicemembers' Group Life Insurance".

(3) The table of sections at the beginning of the chapter is amended—

(A) by striking out the item relating to subchapter III and inserting in lieu thereof the following:

"SUBCHAPTER III—SERVICEMEMBERS' GROUP LIFE INSURANCE";

and

(B) by striking out the item relating to section 1974 and inserting in lieu thereof the following:

"1974. Advisory Council on Servicemembers' Group Life Insurance."

(C) OTHER CONFORMING AMENDMENTS.—(1) Section 1315(f)(1)(F) is amended by striking out "servicemen's" the first place it appears and inserting in lieu thereof "servicemembers".

(2) Sections 3017(a)(2)(A)(i) and 3224(1) are amended by striking out "Servicemen's" each place it appears and inserting in lieu thereof "Servicemembers".

(d) REFERENCES.—Any reference to Servicemen's Group Life Insurance or to the Advisory Council on Servicemen's Group Life Insurance in any Federal law, Executive order, regulation, delegation of authority, or other document of the Federal Government shall be deemed to refer to Servicemembers' Group Life Insurance or the Advisory Council on Servicemembers' Group Life Insurance, respectively.

#### SEC. 406. TECHNICAL AMENDMENT.

Section 1977(a) is amended by striking out "and (e)" in the first and second sentences.

#### TITLE V—DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE MATTERS

#### SEC. 501. REVISION OF AUTHORITY RELATING TO CENTERS FOR MINORITY VETERANS AND WOMEN VETERANS.

(a) SES STATUS OF DIRECTORS.—Sections 317(b) and 318(b) are each amended by inserting "career or" before "noncareer".

(b) ADDITIONAL FUNCTIONS OF CENTER FOR MINORITY VETERANS.—Section 317(d) is amended—

(1) by redesignating paragraph (10) as paragraph (12); and

(2) by inserting after paragraph (9) the following new paragraphs (10) and (11):

"(10) Advise the Secretary and other appropriate officials on the effectiveness of the Department's efforts to accomplish the goals of section 492B of the Public Health Service Act (42 U.S.C. 289a-2) with respect to the inclusion of minorities in clinical research and on particular health conditions affecting the health of members of minority groups which should be studied as part of the Department's medical research program and promote cooperation between the Department and other sponsors of medical research of potential benefit to veterans who are minorities.

"(11) Provide support and administrative services to the Advisory Committee on Minority Veterans provided for under section 544 of this title."

(c) DEFINITION OF MINORITY VETERANS.—Section 317 is amended by adding at the end the following:

"(g) In this section—

"(1) The term 'veterans who are minorities' means veterans who are minority group members.

"(2) The term 'minority group member' has the meaning given such term in section 544(d) of this title."

(d) CLARIFICATION OF FUNCTIONS OF CENTER FOR WOMEN VETERANS.—Section 318(d)(10) is amended by striking out "(relating to)" and all that follows through "and of" and inserting in lieu thereof "(42 U.S.C. 289a-2) with respect to the inclusion of women in clinical research and on".

(e) ADDITIONAL FUNCTIONS OF ADVISORY COMMITTEES.—(1) Section 542(b) is amended by inserting "including the Center for

Women Veterans" before the period at the end.

(2) Section 544(b) is amended by inserting "including the Center for Minority Veterans" before the period at the end.

(f) TERMINATION DATE OF ADVISORY COMMITTEE ON MINORITY VETERANS.—Section 544(e) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

#### SEC. 502. LIMITATION ON CLOTHING ALLOWANCE FOR INCARCERATED VETERANS.

(a) PRO RATA REDUCTION.—Chapter 53 is amended by inserting after section 5313 the following new section:

##### "§ 5313A. Limitation on payment of clothing allowance to incarcerated veterans

"In the case of a veteran who is incarcerated in a Federal, State, or local penal institution for a period in excess of 60 days and who is furnished clothing without charge by the institution, the amount of any annual clothing allowance payable to the veteran under section 1162 of this title shall be reduced by an amount equal to  $\frac{1}{365}$  of the amount of the allowance otherwise payable under that section for each day on which the veteran was so incarcerated during the 12-month period preceding the date on which payment of the allowance would be due. This section shall be carried out under regulations prescribed by the Secretary."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5313 the following new item:

"5313A. Limitation on payment of clothing allowance to incarcerated veterans."

#### SEC. 503. EXTENSION OF VETERANS' CLAIMS ADJUDICATION COMMISSION.

(a) EXTENSION OF TIME FOR SUBMISSION OF FINAL REPORT.—Section 402(e)(2) of the Veterans' Benefits Improvements Act of 1994 (Public Law 103-446; 108 Stat. 4661) is amended by striking out "Not later than 18 months after such date" and inserting in lieu thereof "Not later than December 31, 1996".

(b) FUNDING.—From amounts appropriated to the Department of Veterans Affairs for each of fiscal years 1996 and 1997 for the payment of compensation and pension, the amount of \$75,000 is hereby made available for the activities of the Veterans' Claims Adjudication Commission under title IV of the Veterans' Benefits Improvements Act of 1994 (Public Law 103-446; 108 Stat. 4659; 38 U.S.C. 5101 note).

#### SEC. 504. PILOT PROGRAM FOR USE OF CONTRACT PHYSICIANS FOR DISABILITY EXAMINATIONS.

(a) AUTHORITY.—The Secretary of Veterans Affairs, acting through the Under Secretary for Benefits, may conduct a pilot program under this section under which examinations with respect to medical disability of applicants for benefits under laws administered by the Secretary that are carried out through the Under Secretary for Benefits may be made by persons other than employees of the Department of Veterans Affairs. Any such examination shall be performed pursuant to contracts entered into by the Under Secretary for Benefits with those persons.

(b) LIMITATION.—The Secretary may carry out the pilot program under this section through not more than 10 regional offices of the Department of Veterans Affairs.

(c) SOURCE OF FUNDS.—Payments for contracts under the pilot program under this section shall be made from amounts available to the Secretary of Veterans Affairs for payment of compensation and pensions.

(d) REPORT TO CONGRESS.—Not later than three years after the date of the enactment of this Act, the Secretary shall submit to the

Congress a report on the effect of the use of the authority provided by subsection (a) on the cost, timeliness, and thoroughness of medical disability examinations.

#### SEC. 505. EXPANSION OF PERIOD OF VIETNAM ERA FOR CERTAIN VETERANS.

(a) IN GENERAL.—Paragraph (29) of section 101 is amended to read as follows:

"(29) The term 'Vietnam era' means the following:

"(A) The period beginning on February 28, 1961, and ending on May 7, 1975, in the case of a veteran who served in the Republic of Vietnam during that period.

"(B) The period beginning on August 5, 1964, and ending on May 7, 1975, in all other cases."

(b) LIMITED EXPANSION FOR SPECIFIC COMPENSATION PURPOSES.—(1) Paragraphs (1)(B) and (3) of section 1116(a) are each amended by striking out "during the Vietnam era" and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975".

(2) Paragraphs (1)(A), (2)(C), (2)(E), (2)(F), and (4) of such section are amended by striking out "during the Vietnam era" and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975".

(c) LIMITED EXPANSION FOR SPECIFIC HEALTH CARE PURPOSES.—(1) The provision stipulated in paragraph (2) is amended—

(A) in clause (i), by striking out "during the Vietnam era," and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975"; and

(B) in clause (ii), by striking out "such era" and inserting in lieu thereof "such period".

(2) The provision referred to in paragraph (1)—

(A) if the Veterans' Health Care Eligibility Reform Act of 1996 is enacted as a measure of the One Hundred Fourth Congress, is paragraph (4)(A) of section 1710(e) of title 38, United States Code, as added by section 102 of such Act; and

(B) if such Act is not enacted as a measure of the One Hundred Fourth Congress, is paragraph (1)(A) of section 1710(e) of such title.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997. No benefit may be paid or provided by reason of such amendments for any period before such date.

#### SEC. 506. PAYMENT OF BENEFIT TO SURVIVING SPOUSE FOR MONTH IN WHICH VETERAN DIES.

(a) BENEFIT FOR MONTH OF DEATH.—Section 5310 is amended—

(1) by inserting "(a)" before "If, in accordance with"; and

(2) by adding at the end the following:

"(b)(1) If the surviving spouse of a veteran who was in receipt of compensation or pension at the time of death is not entitled to death benefits under chapter 11, 13, or 15 of this title for the month in which the veteran's death occurs, that surviving spouse shall be entitled to a benefit for that month in the amount of benefits the veteran would have received under chapter 11 or 15 of this title for that month but for the death of the veteran.

"(2) If (notwithstanding section 5112(b)(1) of this title) a check or other payment is issued to, and in the name of, the deceased veteran as a benefit payment under chapter 11 or 15 of this title for the month in which death occurs, that check or other payment (A) shall be treated for all purposes as being payable to the surviving spouse, and (B) if that check or other payment is negotiated or deposited, shall be considered to be the benefit to which the surviving spouse is entitled under this paragraph. However, if such check or other payment is in an amount less than

the amount of the benefit under paragraph (1), the unpaid amount shall be treated in the same manner as an accrued benefit under section 5121 of this title."

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to the death of compensation and pension recipients occurring after December 31, 1996.

**SEC. 507. INCREASE IN PERIOD FOR WHICH ACCRUED BENEFITS PAYABLE.**

Subsection (a) of section 5121 is amended by striking out "one year" in the matter preceding paragraph (1) and inserting in lieu thereof "two years".

**SEC. 508. APPOINTMENT OF VETERANS SERVICE ORGANIZATIONS AS CLAIMANTS' REPRESENTATIVES.**

(a) **POWER OF ATTORNEY NAMING A VETERANS SERVICE ORGANIZATION.**—Section 5902 is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

"(c)(1) Unless a claimant specifically indicates in a power of attorney filed with the Department a desire to appoint only a recognized representative of an organization listed in or approved under subsection (a), the Secretary may, for any purpose, treat the power of attorney naming such an organization, a specific office of such an organization, or a recognized representative of such an organization as the claimant's representative as an appointment of the entire organization as the claimant's representative.

"(2) Whenever the Secretary is required or permitted to notify a claimant's representative, and the claimant has named in a power of attorney an organization listed in or approved under subsection (a), a specific office of such an organization, or a recognized representative of such an organization without specifically indicating a desire to appoint only a recognized representative of the organization, the Secretary shall notify the organization at the address designated by the organization for the purpose of receiving the notification concerned."

(b) **APPLICABILITY.**—The amendments made by this section apply to any power of attorney filed with the Department of Veterans Affairs, regardless of the date of its execution.

**SEC. 509. PROVISION OF COPIES OF BOARD OF VETERANS' APPEALS DECISIONS.**

Subsection (e) of section 7104 is amended to read as follows:

"(e)(1) After reaching a decision on a case, the Board shall promptly mail a copy of its written decision to the claimant at the last known address of the claimant.

"(2) If the claimant has an authorized representative, the Board shall—

"(A) mail a copy of its written decision to the authorized representative at the last known address of the authorized representative; or

"(B) send a copy of its written decision to the authorized representative by any means reasonably likely to provide the authorized representative with a copy of the decision within the same time a copy would be expected to reach the authorized representative if sent by first-class mail."

**SEC. 510. LIMITATION ON RELOCATION OR REDUCTION IN STAFFING OF CERTAIN ELEMENTS OF THE EDUCATION SERVICE OF THE VETERANS BENEFITS ADMINISTRATION.**

No funds available to the Department of Veterans Affairs may be obligated or expended before January 1, 1998, to relocate any function of, or to reduce the number of personnel assigned to, any of the following elements of the Veterans Benefits Administration of the Department of Veterans Affairs:

(1) The Office of Education Procedures Systems.

(2) The Office of Education Operations.

(3) The Office of Education Policy and Program Administration.

**TITLE VI—OTHER MATTERS**

**SEC. 601. EXTENSION OF CERTAIN AUTHORITIES FOR SERVICES FOR HOMELESS VETERANS.**

(a) **AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.**—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1998".

(b) **AUTHORIZATIONS OF APPROPRIATIONS FOR HOMELESS VETERANS REINTEGRATION PROJECTS.**—Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(E) \$10,000,000 for fiscal year 1997.

"(F) \$10,000,000 for fiscal year 1998."

**SEC. 602. REPAIR AND LONG-TERM MAINTENANCE OF WAR MEMORIALS.**

(a) **REPAIR AND LONG-TERM MAINTENANCE OF WAR MEMORIALS.**—Section 5(b)(2) of the Act entitled "An Act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes", approved March 4, 1923 (36 U.S.C. 125(b)(2)), is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end the following:

"(B) In assuming responsibility for a war memorial under paragraph (1), the Commission may enter into arrangements with the sponsors of the memorial to provide for the repair or long-term maintenance of the memorial. Any funds transferred to the Commission for the purpose of this subparagraph shall, in lieu of subparagraph (A), be deposited by the Commission in the fund established by paragraph (3).

"(3)(A) There is established in the Treasury a fund which shall be available to the Commission for expenses for the maintenance and repair of memorials with respect to which the Commission enters into arrangements under paragraph (2)(B). The fund shall consist of (i) amounts deposited, and interest and proceeds credited, under subparagraph (B), and (ii) obligations obtained under subparagraph (C).

"(B) The Commission shall deposit in the fund such amounts from private contributions as may be accepted under paragraph (2)(B). The Secretary of the Treasury shall credit to the fund the interest on, and the proceeds from sale or redemption of, obligations held in the fund.

"(C) The Secretary of the Treasury shall invest any portion of the fund that, as determined by the Commission, is not required to meet current expenses. Each investment shall be made in an interest bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States that, as determined by the Commission, has a maturity suitable for the fund.

"(D) The Commission shall separately account for all moneys deposited in and expended from the fund with respect to each war memorial for which an arrangement for the repair or long-term maintenance of the memorial is entered to under paragraph (2)(B)."

(b) **ACCOUNTING PROCEDURES RELATING TO RECEIPT AND EXPENDITURE OF CONTRIBUTIONS.**—Such Act is further amended by adding at the end the following new section:

"SEC. 14. (a) The Commission shall have a system of financial controls to enable the

Commission to comply with the requirements of subsection (b) and section 5(b)(3)(D).

"(b) The Commission shall—

"(1) by March 1 of each year (beginning with 1998)—

"(A) prepare a financial statement which covers all accounts and associated activities of the Commission for the preceding fiscal year and is consistent with the requirements of section 3515 of title 31, United States Code; and

"(B) submit the financial statement, together with a narrative summary, to the Committees on Veterans' Affairs of the Senate and House of Representatives; and

"(2) obtain an audit by the Comptroller General of the United States of each financial statement prepared under paragraph (1)(A), which shall be conducted in accordance with applicable generally accepted government auditing standards and shall be in lieu of any audit otherwise required by law.

"(c) The Commission may not obligate, withdraw, or expend funds received as contributions before March 1, 1998."

**TITLE VII—COMMISSION ON SERVICEMEMBERS AND VETERANS TRANSITION ASSISTANCE**

**SEC. 701. ESTABLISHMENT OF COMMISSION.**

(a) **ESTABLISHMENT.**—There is established a commission to be known as the Commission on Servicemembers and Veterans Transition Assistance (hereafter in this title referred to as the "Commission").

(b) **MEMBERSHIP.**—(1) The Commission shall be composed of 12 members appointed from among private United States citizens with appropriate and diverse experiences, expertise, and historical perspectives on veterans, military, organizational, and management matters. The members shall be appointed as follows:

(A) Four shall be appointed jointly by the chairman and ranking minority member of the Committee on Veterans' Affairs of the House of Representatives.

(B) Four shall be appointed jointly by the chairman and ranking minority member of the Committee on Veterans' Affairs of the Senate.

(C) Two shall be appointed jointly by the chairman and ranking minority member of the Committee on National Security of the House of Representatives.

(D) Two shall be appointed jointly by the chairman and ranking minority member of the Committee on Armed Services of the Senate.

(2)(A) One member of the Commission appointed under each of subparagraphs (A) and (B) of paragraph (1) shall be a representative of a veterans service organization.

(B) To the maximum extent practicable, the individuals appointed under paragraph (1) as members of the Commission shall be veterans.

(C) Not more than seven of the members of the Commission may be members of the same political party.

(3) In addition to the members appointed under paragraph (1), the following shall be nonvoting members of the Commission:

(A) The Under Secretary for Benefits of the Department of Veterans Affairs.

(B) The Assistant Secretary of Defense for Force Management and Personnel.

(C) The Assistant Secretary of Labor for Veterans' Employment and Training.

(4) The appointments of members of the Commission shall, to the maximum extent practicable, be made after consultation with representatives of veterans service organizations.

(5) The appointments of the members of the Commission shall be made not later than 45 days after the date of the enactment of this Act.



(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed under subsection (b)(1), the Commission shall hold its first meeting.

(e) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(f) CHAIRMAN AND VICE CHAIRMAN.—The Commission shall select a chairman and vice chairman from among its members.

(g) MEETINGS.—The Commission shall meet at the call of the chairman of the Commission.

(h) PANELS.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of such panels shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(i) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

#### SEC. 702. DUTIES OF COMMISSION.

(a) IN GENERAL.—The Commission shall—

(1) review the adequacy and effectiveness of veterans transition assistance and benefits programs in providing assistance to members of the Armed Forces in making the transition and adjustment to civilian life;

(2) review the allocation under law of responsibility for the administration of veterans transition assistance and benefits programs among the various departments and agencies of the Government and determine the feasibility and desirability of consolidating such administration;

(3) evaluate proposals for improving such programs, including proposals for alternative means of providing services delivered by such programs; and

(4) make recommendations to Congress regarding the need for improvements in such programs.

(b) REVIEW OF PROGRAMS TO ASSIST MEMBERS OF THE ARMED FORCES AT SEPARATION.—(1) While carrying out the general duties specified in subsection (a), the members of the Commission appointed under subparagraphs (C) and (D) of section 701(b)(1) and the member specified in subparagraph (B) of section 701(b)(3) shall review primarily the programs intended to assist members of the Armed Forces at the time of their separation from service in the Armed Forces, including programs designed to assist families of such members.

(2) In carrying out the review, those members of the Commission shall determine the following:

(A) The adequacy of the programs referred to in paragraph (1) for their purposes.

(B) The adequacy of the support of the Armed Forces for such programs.

(C) The adequacy of funding levels for such programs.

(D) The effect, if any, of the existence of such programs on military readiness.

(E) The extent to which such programs provide members of the Armed Forces with job-search skills.

(F) The extent to which such programs prepare such members for employment in the private sector and in the public sector.

(G) The effectiveness of such programs in assisting such members in finding employ-

ment in the public sector upon their separation from service.

(H) The ways in which such programs could be improved.

(3) In carrying out the review, the Commission shall make use of previous studies which have been made of such programs.

(c) REVIEW OF PROGRAMS TO ASSIST VETERANS.—(1) While carrying out the general duties specified in subsection (a), the members of the Commission appointed under subparagraphs (A) and (B) of section 701(b)(1) and the members specified in subparagraphs (A) and (C) of section 701(b)(3) shall review the following programs:

(A) Educational assistance programs.

(B) Job counseling, job training, and job placement services programs.

(C) Rehabilitation and training programs.

(D) Housing loan programs.

(E) Small business loan and small business assistance programs.

(F) Employment and employment training programs for employment in the public sector and the private sector, including employer training programs and union apprenticeship programs.

(G) Government personnel policies (including veterans' preference policies) and the enforcement of such policies.

(H) Programs that prepare the families of members of the Armed Forces for their transition from military life to civilian life and facilitate that transition.

(2) In carrying out the review, such members of the Commission shall determine the following:

(A) The adequacy of the programs referred to in paragraph (1) for their purposes.

(B) The adequacy of the support of the Department of Veterans Affairs for such programs.

(C) The adequacy of funding levels for such programs.

(D) The extent to which such programs provide veterans with job-search skills.

(E) The extent to which such programs prepare veterans for employment in the private sector and in the public sector.

(F) The effectiveness of such programs in assisting veterans in finding employment in the public sector upon their separation from service.

(G) The ways in which such programs could be improved.

(d) REPORTS.—(1) Not later than 90 days after the date on which all members of the Commission have been appointed under section 701(b)(1), the Commission shall submit to the Committees on Veterans' Affairs and Armed Services of the Senate and the Committees on Veterans' Affairs and National Security of the House of Representatives a report setting forth a plan for the work of the Commission. The Commission shall develop the plan in consultation with the Secretary of Defense, the Secretary of Veterans Affairs, the Secretary of Labor, and the heads of other appropriate departments and agencies of the Government.

(2)(A) Not later than 18 months after the date of the first meeting of the Commission, the Commission shall submit to the committees referred to in paragraph (1), and to the Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor, a report setting forth the activities, findings, and recommendations of the Commission, including any recommendations for legislative action and administrative action as the Commission considers appropriate.

(B) Not later than 90 days after receiving the report referred to in subparagraph (A), the Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor shall jointly transmit the report to Congress, together with the Secretaries' comments on the report.

#### SEC. 703. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this title.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from the Department of Defense, the Department of Veterans Affairs, and any other department or agency of the Government such information as the Commission considers necessary to carry out its duties under this title. Upon request of the chairman of the Commission, the head of such department or agency shall furnish such information expeditiously to the Commission.

#### SEC. 704. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Government.

(b) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(c) MISCELLANEOUS ADMINISTRATIVE SUPPORT.—The Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor shall, upon the request of the chairman of the Commission, furnish the Commission, on a reimbursable basis, any administrative and support services as the Commission may require.

#### SEC. 705. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission may be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in performing the duties of the Commission.

(b) TRAVEL AND TRAVEL EXPENSES.—(1) Members and personnel of the Commission may travel on military aircraft, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Commission except when the cost of commercial transportation is less expensive.

(2) The members of the Commission may be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to civil service laws and regulations, appoint and terminate an executive director and up to five additional staff members as may be necessary to enable the Commission to perform its duties. In appointing an individual as executive director, the chairman shall, to the maximum extent practicable, attempt to appoint an individual who is a veteran. The employment of an executive director shall be subject to confirmation by the Commission.

(2) The chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other staff members may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) **DETAIL OF GOVERNMENT EMPLOYEES.**—Upon request of the chairman of the Commission, the head of any department or agency of the Government may detail, on a non-reimbursable basis, any personnel of the department or agency to the Commission to assist the Commission in carrying out its duties.

(e) **PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.**—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5316 of such title.

#### SEC. 706. TERMINATION OF COMMISSION.

The Commission shall terminate 90 days after the date on which it submits its report under section 702(d)(2).

#### SEC. 707. DEFINITIONS.

For the purposes of this title:

(1) The term "veterans transition assistance and benefits program" means any program of the Government the purpose of which is—

(A) to assist, by rehabilitation or other means, members of the Armed Forces in readjusting or otherwise making the transition to civilian life upon their separation from service in the Armed Forces; or

(B) to assist veterans in making the transition to civilian life.

(2) The term "Armed Forces" has the meaning given such term in section 101(10) of title 38, United States Code.

(3) The term "veteran" has the meaning given such term in section 101(2) of title 38, United States Code.

(4) The term "veterans service organization" means any organization covered by section 5902(a) of title 38, United States Code.

#### SEC. 708. FUNDING.

(a) **IN GENERAL.**—The Secretary of Defense shall, upon the request of the chairman of the Commission, make available to the Commission such amounts as the Commission may require to carry out its duties under this title. The Secretary shall make such amounts available from amounts appropriated for the Department of Defense, except that such amounts may not be from amounts appropriated for the transition assistance program (TAP), the Army career alumni program (ACAP), or any similar program.

(b) **AVAILABILITY.**—Any sums made available to the Commission under subsection (a) shall remain available, without fiscal year limitation, until the termination of the Commission.

The title is amended so as to read:

To amend title 38, United States Code, to improve the benefits programs administered by the Secretary of Veterans Affairs, to provide for a study of the Federal programs for veterans, and for other purposes.

Mr. NICKLES. Mr. President, this bill is a very important bill. It is the Senate bill S. 1711, the Veterans' Benefits Improvements Act of 1996.

Senator SIMPSON had a substitute which we are now entering into the RECORD. Again, this is very substantive legislation, which Senator SIMPSON deserves great accolades for. And I compliment him for the amendment.

#### CORRECTING THE ENROLLMENT OF THE COAST GUARD AUTHORIZATION ACT CONFERENCE REPORT

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 229, which corrects the enrollment of the Coast Guard authorization conference report.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. NICKLES. Mr. President, I ask unanimous consent that the concurrent resolution be considered agreed to, with the motion to reconsider laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 229) was agreed to.

#### COAST GUARD AUTHORIZATION ACT OF 1996—CONFERENCE REPORT

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate immediately proceed to the consideration of the Senate conference report to accompany S. 1004, the Coast Guard authorization.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The committee of conference of the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1004) to authorize appropriations for the United States Coast Guard, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of September 27, 1996.)

Mr. CHAFEE. Mr. President, I rise in support of the conference report to S. 1004, the Coast Guard Authorization Act. As chairman of the Environment and Public Works Committee, which has jurisdiction over oil pollution issues, I am pleased to report that S. 1004 contains a number of important improvements to the Oil Pollution Act of 1990, or OPA. These improvements represent several solid steps forward in our ongoing efforts to prevent oil spills from occurring in our Nation's waters and to better respond to the oil spills that do occur.

I convened the Environment and Public Works Committee for a series of hearings to address oil pollution issues earlier this year in response to a number of major oil spills.

The spill of greatest interest to me, as you might imagine, happened just off the coast of my home State of

Rhode Island on January 19 of this year. It occurred when a tug boat had a fire in rough seas and eventually lost control of the barge it was towing, which was carrying millions of gallons of home heating oil. The sad outcome was that the barge, the North Cape, ran aground and spilled some 800,000 gallons of oil into Block Island Sound.

The economic and environmental harm to my State from the spill was extensive. Thousands of lobster carcasses washed up on our shores, hundreds of birds were left dead or severely injured, and many who rely upon the sea for their livelihood in the area were financially hurt, some seriously.

The committee held a total of three hearings. The first of these was held in Rhode Island so we could hear and learn from the people most directly affected by the spill.

In our hearings we learned that, overall, OPA is working pretty well. The clear consensus of all witnesses who testified during our hearings is that OPA is a valuable piece of legislation that has helped to produce faster and more effective spill responses throughout the last 6 years.

Nevertheless, there is room for improvement in the Act. On the prevention side, for example, OPA can, and should, be strengthened so that we can avoid having to respond to an oil spill at all. The recent spills have only served to underscore the need for more effective prevention measures. We also learned that our oil spill response capabilities can, and should, be honed.

As a result, on May 7, I, along with Senators LIEBERMAN and LAUTENBERG, introduced S. 1730, the Oil Spill Prevention and Response Improvement Act. Senator PELL also eventually became a cosponsor. As its name implies, the bill has two major purposes: First, to prevent oil spills from occurring; and second, to provide for a more effective response to the oil spills that do occur.

On June 20, the Committee on Environment and Public Works voted 17 to 0 to report S. 1730. I am extremely gratified that the majority of the provisions and issues addressed in S. 1730 as reported are contained in the conference report before us today.

Let me now explain what these provisions are and the intent underlying them.

#### ENHANCING OIL SPILL PREVENTION

There are two major provisions in the conference report that will help prevent oil spills from single-hull oil-carrying barges. Both provide for new rules to apply to such barges within 1 year, by October 1, 1997.

The first set of rules will require all single-hull oil-carrying barges to have means to prevent grounding in the event of a problem at sea. The required anti-grounding protection can take the form of an operable anchor and crew

member on board the barge, an emergency barge retrieval system, or comparable measures. These rules will prevent situations where barges carry millions of gallons of oil through environmentally sensitive waters without any kind of protection against grounding.

The second set of rules will require all vessels that tow oil-carrying barges to have fire-suppression measures. Never again should we be in a situation where the lives of crew members and a pristine marine environment are at risk because a towing vessel does not have the ability to suppress an on-board fire.

These new rules for single-hull tank barges and the vessels which tow them are important. Although the best way to prevent spills from vessels is to equip them with double hulls, it is quite expensive to build a new double-hull vessel or to retrofit a single hull vessel with a second hull.

Thus, in enacting OPA originally, Congress determined that all oil-carrying vessels in U.S. waters ought eventually to have double hulls, but that the oil transportation industry would need some time to make the transition, given the expense involved. Congress directed the Coast Guard to issue rules to help prevent oil spills from single hull vessels during this transition period.

These rules were to have been issued within one year after OPA's enactment—or by August 1991. Remarkably, however, by the time we held our first hearing on OPA, the Coast Guard still had failed to issue the rules, nearly five years after the mandatory statutory deadline.

This delay has undermined a key purpose of OPA, which is to reduce spills from single-hull vessels pending their replacement with double-hull vessels by the year 2015.

The Coast Guard finally issued one part of the required rules earlier this summer. The rules prescribe operational measures for single-hull tank vessels, which should prove valuable in helping to prevent oil spills from such vessels.

But there is another important subset of rules on single-hull tank vessels the Coast Guard still has not issued—those prescribing structural measures to reduce spills from such vessels. During our hearings, various high-level Coast Guard officials assured the Committee repeatedly that such rules would be published by December 1996.

It is this Senator's firm expectation that the Coast Guard will be true to its word and issue the rules on structural measures within the next three months; 6½ years has been more than enough time for the Coast Guard to adopt such measures. If the agency fails again to comply with its mandate, then the Congress will have no choice but to consider seriously taking up similar legislation again.

Let me add that one of the reasons the Coast Guard offered for being so late in issuing the single-hull vessel

rules is because of confusion about the standard under which such rules are to be issued. That standard, set forth in section 4115(b) of OPA, provides that such measures are to "provide as substantial protection to the environment as is economically and technologically feasible."

Although there admittedly is some room for interpretation in this, as in any qualitative standard, let me state for the record a couple of things that are absolutely clear about the congressional intent behind section 4115(b). First, the standard is not to be read to require adoption only of the measure or measures the Coast Guard determines are the most cost-effective or cost-efficient. Rather, the standard makes clear that all measures which satisfy its criteria are to be included in the final rule.

The rulemaking should consider measures that prevent collision or grounding of a tank vessel in addition to those that reduce oil outflow after such a collision or grounding has occurred. Finally, due regard ought to be taken of human safety, including the safety of crew members and in particular those crew serving on affected tank barges.

In addition to providing for new rules, the conference report includes a series of additional measures to address specific oil spill prevention concerns raised by recent spills in the Northeast.

For example, after the *North Cape* spill, Governor Almond of Rhode Island convened a task force to examine the economic and environmental implications of dredging the State's waterways. The conference report directs the U.S. Army Corps of Engineers to review the task force's study and to submit recommendations concerning the feasibility and environmental effects of such dredging.

The conference report further directs the Secretary of Transportation, in cooperation with the Marine Board, to examine the incidence and risk of spills from lightering, a process by which oil is transferred from one vessel to another. This examination is to evaluate the adequacy of existing rules to prevent spills from lightering operations. It should examine not only how lightering is practiced, but also where lightering is done and the extent to which sensitive environmental areas may be at risk under current rules.

The conference report also directs the Secretary to assess the role of automatic fueling shutoff equipment in preventing the actual or threatened discharge of oil during fuel loading or off-loading activity.

#### IMPROVING OIL SPILL RESPONSE MEASURES

Notwithstanding the best efforts of those of us in Government and in the industry, a certain number of oil spills probably are inevitable. Consequently, the conference report contains important advances that will improve our ability to respond more effectively to spills that still occur.

It does so by reducing and redressing the economic hardship and environmental damage that is caused once a spill has taken place.

On the economic side, the conference report includes a key provision of the bill I introduced in the spring, S. 1730, which will ensure that injured parties are able to obtain financial relief in the immediate aftermath of a spill. After the North Cape spill, some lobstermen and fishermen were reluctant to pursue compensation for short-term damages for fear of waiving any rights to future compensation. This reluctance at times led to significant hardship, as most fishermen and lobstermen are self-employed, and thus, do not qualify for unemployment benefits.

To address this troubling situation, the conference report makes clear that a person injured by a spill may bring a claim for less than the full amount of damages to which he may be entitled, without waiving the right to future compensation. Thanks to this clarification, fishermen put out of work will no longer have to wait while their rent and grocery bills pile up before pursuing a claim. And small businesses such as fish markets that depend on the marine environment will not be forced out of business while awaiting compensation for their injuries.

The responsible party may establish reasonable parameters within which claims for partial, interim damages may be presented to avoid undue transaction costs, consistent with avoiding financial hardship to parties injured by a spill.

On the environmental response side, the conference report improves OPA by encouraging better advanced planning. It also fosters rapid availability to important new information and expertise in the wake of a spill.

First of all, the report clarifies that the owner or operator carrying out the response must follow the National Contingency Plan unless the President or On-Scene Coordinator determines that deviation would bring about a faster or more effective response.

Second, the report provides for a national clearinghouse to compile and disseminate information on the environmental effects of oil spills. This information clearinghouse will distribute up-to-the-minute knowledge to response personnel on how best to mitigate the environmental effects of particular spills.

Some of this information undoubtedly will derive from another provision in the conference report, which directs the Secretary of Transportation to study the environmental and public health risks from discharges of group-5 fuel oil.

Finally, area contingency plans will now be required to include the names of local scientists with expertise in the environmental effects of oil spills. This requirement will ensure that response officials may avail themselves quickly of expertise available in the spill area,

in particular with respect to the local marine environment.

#### CHANGES TO SECTION 1016 REGARDING ENSURING EVIDENCE OF FINANCIAL RESPONSIBILITY

Section 1125 of the conference report modifies OPA's financial responsibility requirements.

These requirements mandate that vessels and oil-related facilities demonstrate evidence of access to financial resources that will cover the likely costs of cleanup and damages in the event of a spill. In this way they provide a guarantee that money will be available to finance all or most of the cleanup and damages. An entity may satisfy this requirement by entering into a contract with a guarantor, usually in the insurance industry, who agrees to be subject to claims for cleanup costs and damages up to a designated amount in the event of a spill.

There are at least two important purposes served by these requirements: First, they ensure that the polluter—not the U.S. taxpayer—bears the financial burdens resulting from oil pollution. Second, they ensure that claims will be presented and resolved promptly without subjecting claimants, especially injured individuals and small businesses, to protracted and expensive litigation.

#### MODIFICATIONS TO AMOUNT OF FINANCIAL RESPONSIBILITY REQUIRED FOR OFFSHORE FACILITIES

The conference report brings the amount of financial responsibility required of offshore facilities under OPA more into line with common sense and the original intent of Congress. It will allow us to avoid imposing undue and unintended economic burdens while also ensuring that the interests of the environment and the parties financially injured by a spill will continue to be protected.

The conference report does three things in this regard.

First, it corrects an unjustifiably broad interpretation of OPA by the Department of the Interior. That interpretation would apply the financial responsibility requirements for offshore facilities to traditional onshore facilities like land-based oil terminals and marinas.

We have many such onshore facilities in my State of Rhode Island and throughout the country. They never were intended to be subject to OPA's financial responsibility requirements for offshore facilities, even if they have certain appurtenances that extend onto submerged land. The report serves to make our original intent unmistakably clear.

Second, the conference report exempts from financial responsibility requirements small offshore operators who, even under a worst-case scenario, lack the capacity to cause a major oil spill. This *de minimis* exemption removes the potential for imposing an unjustifiably heavy financial burden on small businesses that pose only minimal environmental risk.

Importantly, however, the conference report does not affect the liability of a

facility that actually engages in a spill. Moreover, the President retains the discretion to require even a small offshore facility to demonstrate evidence of financial responsibility if the risk justifies it.

Third, the conference report allows for some flexibility in the amount of financial responsibility to be required of non-*de minimis* offshore facilities. OPA currently directs the promulgation of regulations that would require all offshore facilities to meet financial responsibility requirements at a \$150 million level.

The conference report, however, calls for use of the current \$35 million requirement in the Outer Continental Shelf Lands Act for facilities in Federal waters while giving the President discretion to increase the requirement on the basis of risk. A similar approach is taken for offshore facilities in State waters, except that the minimum financial responsibility requirement is \$10 million, given that many coastal States impose their own such requirements.

These changes should remove the potential for unnecessary and inefficient economic burdens yet preserve OPA's fundamental purpose of ensuring that oil-spill polluters pay for their pollution.

#### NARROWING "DIRECT ACTION" AGAINST GUARANTORS FOR OFFSHORE FACILITIES AND REAFFIRMATION OF LIMIT ON GUARANTOR LIABILITY

There are a couple of other changes the conference report makes to OPA's financial responsibility requirements.

First, the conference report modifies the situations in which claims may be brought directly against a guarantor for an offshore facility. Ordinarily, OPA provides that all claims may be brought against a spiller's guarantor.

The conference report limits the filing of claims directly against a guarantor for an offshore facility, however, to three instances: First, the claim is asserted by the United States, either for its own removal costs and damages or to recover any compensation paid by the oil spill liability trust fund to any claimant under OPA, including costs incurred by the Fund in processing claims; second, the spiller has filed a petition for bankruptcy; or third, the spiller has denied or failed to pay a claim on the basis of insolvency.

These changes to direct action against a guarantor for an offshore facility arose from the concern some have expressed that smaller, independently owned offshore facilities might find it difficult to meet OPA's financial responsibility requirements because of high insurance costs. Because OPA's financial responsibility requirements have yet to be imposed on offshore facilities, this remains to be seen.

Nevertheless, it is important to point out that the report makes changes to direct action against guarantors only with respect to offshore facilities. This narrow scope is intentional and it would not be proper to expand it—to

vessels, for example—because offshore facilities are fundamentally different in this context. Many are small and independently owned and, most important, unlike vessels, they are immobile.

The report also directs that regulations be issued to establish a process for implementing the changes to direct action for guarantors of offshore facilities. The process must allow for the orderly and expeditious presentation and resolution of claims and effectuate OPA's purposes.

This is an important rulemaking and needs to protect claimants from procedural mazes and confusion in the presentation of their claims. They must not be subjected to shell games in which they get bounced back and forth between a responsible party and its guarantor. The key purpose of OPA to ensure that injured parties have quick and clear access to compensation for their damages must not be undermined.

Consequently, in the rulemaking authorized under the conference report, it should be clarified that the guarantor may not raise a defense to a direct action that is based on an allegation that the responsible party has not engaged in a prerequisite to the allowance of the direct action—that is, the guarantor should not, on direct action, be permitted to bar the claim by arguing that the responsible party has not filed a petition for bankruptcy or has not denied or failed to pay a claim on the ground of insolvency. To allow for such defenses to be raised would in essence allow a guarantor for an offshore facility to further narrow the conditions under which it is subject to direct action from three to one, thereby undermining congressional intent.

Moreover, the rulemaking ought to provide clear guidance and notice to injured parties on how and to whom they may present their claims. The changes to direct action in the report should not result in parties injured by spills from offshore facilities having their claims subject to a more protracted or difficult process than other OPA claimants.

The conference report also reaffirms Congress's original intent in enacting OPA in 1990 concerning the limit of liability for a guarantor on claims brought under the act. Thus, the changes to and addition of text in the subsection should not be read to effect any substantive change in that liability limitation. Instead, they are meant only to confirm that OPA does not impose liability with respect to an incident on a guarantor for damages and removal costs in excess of the amount of financial responsibility provided by the guarantor under the act.

#### CONCLUSION

The Senate Environment and Public Works Committee, of which I am chairman, has jurisdiction over many of the OPA issues addressed in the conference

report. Some of the other OPA amendments in the report, however, are within the jurisdiction of the Senate Commerce Committee.

In that regard, I would like to thank Commerce Committee Chairman PRESSLER for his cooperation in facilitating the coordination of the work of our two committees. In the same vein, special thanks also are due Senator STEVENS, chairman of the Subcommittee on Oceans and Fisheries.

I also want to express my gratitude to House Transportation and Infrastructure Chairman SHUSTER for his willingness to work so cooperatively with the Senate on the differences between the House and Senate bills in conference.

Finally, I want to thank Senators LIEBERMAN and LAUTENBERG, the two original cosponsors of S. 1730. These Senators have worked diligently to help shape the OPA amendments, first offered in S. 1730 and now in the conference report, so that the amendments will best achieve their intended purposes.

Mr. HOLLINGS. Mr. President, I am pleased to join with my colleagues in supporting the conference report on S. 1004, the Coast Guard Authorization Act of 1996. Congress has not completed action on a Coast Guard authorization bill since 1993. In recent years, the bill has become the hostage of legislative battles on issues that are completely unrelated to the Coast Guard authorization.

Today, after many hours of discussion, I am pleased that the conferees finally have reached agreement on wide-ranging legislation that enjoys widespread support. The conference report authorizes funding of just over \$3.7 billion annually for fiscal years 1996 and 1997, provides for end-of-year military strength and training loads and addresses a backlog of Coast Guard-related administrative and policy issues. Among such issues, the bill provides for: personnel administrative reforms requested by the administration, marine safety and waterways management improvements, updated authority for the Coast Guard Auxiliary, regulatory reforms for the U.S. maritime industry, and tougher controls to reduce marine plastic pollution.

The conference report recognizes that the Coast Guard has an important job and does it well. Indeed, the widespread support for the Coast Guard budget reflects the breadth and complexity of its missions—from protecting our maritime boundaries and the safety of life at sea to preserving the ocean environment and enforcing maritime laws and treaties. On an average day in 1994, the Coast Guard saved 14 lives, assisted 328 people, responded to 34 oil or hazardous chemical spills, inspected 64 commercial vessels, seized 379 pounds of illegal drugs, serviced 150 aids-to-navigation, and interdicted 174 illegal aliens.

Over the years, we have continued to ask the Ocean Guard to do more with

less. In typical fashion, the Coast Guard has responded with a streamlining plan that will trim \$400 million from the budget by 1998 and allow personnel reductions of 4000 people. As an example of the pragmatic approach the Coast Guard has taken in this plan, we recently welcomed the Coast Guard high endurance cutters, *Dallas* and *Galatin*, to their new homeport at the Charleston Navy Base. By relocating Coast Guard assets from expensive locales like Governors Island to areas where the quality of life is high and the cost of living is reasonable, everyone benefits. The Coast Guard is better able to meet both its budgetary bottom line and its personnel needs.

Turning to the conference report, I would like to highlight some key provisions. With respect to the Coast Guard bridge program under the Truman-Hobbs Act, the Federal Government shares with the States the cost of altering publicly owned bridges that obstruct the free movement of marine traffic. The administration requested no funding for this account in fiscal year 1995, initiating a new policy under which the Coast Guard no longer would seek direct funding for alteration of highway bridges. Instead, the administration proposed that the Federal share of such projects be financed from the discretionary bridge funds of the Federal Highway Administration, under the continuing program direction of the Coast Guard.

The conference report provides the Secretary of Transportation with the discretionary authority and the flexibility to fund the program from either the Coast Guard bridge account or the discretionary bridge fund of the Federal Highway Administration. I anticipate that the Department of Transportation will use this new authority in the months to come in developing a plan to ensure stable funding for this longstanding and essential part of our national transportation safety program. In addition, individual Truman-Hobbs bridge projects, such as the John F. Limehouse Memorial Bridge in Charleston, SC, are critically important to address local transportation infrastructure needs. Consequently, I would like to thank the Department for working with me to identify \$9 million in unused federal highway funds that will be made available to begin construction of the Limehouse Bridge. This bridge project is essential to improve navigation safety and provide for adequate evacuation of the Charleston area in the event of another hurricane or natural disaster.

On another matter, the Coast Guard has worked with the maritime industry in recent years to develop a package of amendments to existing marine safety laws that would allow their implementation in a more cost-effective and efficient manner, reduce the regulatory burden on the industry, and provide greater flexibility in making safety decisions. The amendments contained in the conference report before us today

specifically would: implement the International Safety Management Code for U.S. vessels engaged in foreign commerce; allow qualified third parties such as the American Bureau of Shipping to conduct vessel safety inspections; allow greater use of foreign manufactured safety equipment; and extend the validity of Coast Guard certificates of inspection from 2 to 5 years, allowing earlier scheduling of annual inspections. The changes will help U.S. flag vessels to become more competitive in international trade and reflect the Coast Guard's commitment to harmonize U.S. regulations with international requirements. In addition, the conference report provides relief to operators of small passenger vessels from the exorbitantly high inspection fees that the Coast Guard was forced to establish in its efforts to achieve deficit reduction mandates.

The conference report also includes a provision developed in cooperation with Senator Lautenberg that would amend the act to Prevent Pollution from Ships [APPS] to strengthen requirements that ports maintain reception facilities to offload plastic wastes generated by vessels at sea. The legislation calls for the Secretary to inspect and maintain a list of such facilities and for port operators to post placards encouraging reporting of any inadequacies. The report also amends the Marine Plastic Pollution Research and Control Act to: continue the Secretary's biannual reporting to Congress on compliance with APPS; add a requirement to publish an annual list of APPS violators; establish a Marine Debris Coordinating Committee; and continue and expand the Federal public outreach program to include the use of grants.

Like most legislation, this conference report reflects a compromise and does not include some provisions which this Senator would have liked to have had enacted. In particular, I was disappointed that we were unable to persuade the House of Representatives to accept the Senate provision on funding for State boating safety programs. The Senate-passed provision would have ensured that States receive a stable source of financial assistance for the development and implementation of a coordinated national recreational boating safety program. This is an issue that should be addressed early in the 105th Congress.

Over the past two centuries, the U.S. Coast Guard has built an enduring reputation throughout the world for its maritime safety, environmental protection, humanitarian, and lifesaving efforts. We have all watched the valiant and often heroic work of Coast Guard seamen and officers as they rescue desperate refugees who have taken to the seas in crowded and makeshift boats. Even in the remote regions of the world, the Coast Guard is present, actively engaged in the enforcement of United Nations embargoes against countries like the former Republic of

Yugoslavia and Iraq. The men and women of the Coast Guard respond with equal dedication during times of war and peace. I ask my colleagues to recognize this service by joining me in supporting the conference report on S. 1004.

Mr. PRESSLER. Mr. President, I rise to support adoption of the Coast Guard Conference Report for fiscal years 1996 and 1997.

Mr. President, the Coast Guard has broad ranging responsibilities—from enforcing America's maritime laws to ensuring the safety of recreational boaters.

Mr. President, like other Federal agencies, the Coast Guard faces the challenge of continuing to provide better government at less cost. It is clear the American taxpayers are demanding a smaller, more accountable Federal Government. At the same time, the demand for certain government services, including those provided by the Coast Guard, continues to be great. The Commandant of the Coast Guard, Admiral Robert E. Kramek, recently announced his National Plan for Streamlining the Coast Guard, which will save, on a cumulative basis, nearly one billion dollars by the year 2005 and make available over one billion dollars in property for other uses. Despite cuts of this magnitude, the Coast Guard will continue to perform all its current missions. I am pleased the Coast Guard is making a serious effort to improve its efficiency while maintaining its effectiveness.

Mr. President, the conference report before us authorizes appropriations for the Coast Guard for fiscal years 1996 and 1997 and authorizes several management improvements requested by the Coast Guard. Many Members on both sides of the aisle have expressed interest in this bill and we have addressed their requests as best we could. The conference report has broad bipartisan support.

Mr. President, I believe the Coast Guard is up to the challenge of maintaining its status as the world's premier maritime organization despite intense budget pressure. It is my belief this authorization bill provides the Coast Guard with the support it needs to meet that challenge.

Mr. President, let me take this opportunity to thank the very capable Senator STEVENS, who is chairman of our Oceans and Fisheries Subcommittee, for his leadership in developing the original bill. I would like to recognize Senator HOLLINGS, the ranking Democratic member on the full committee for his bipartisanship throughout this process.

Mr. President, I would also like to thank Congressman SHUSTER, chairman of the House Transportation and Infrastructure Committee and chairman of our Coast Guard Conference. He and his staff have worked long and hard in completing our work on this authorization.

Mr. President, finally I thank my colleagues for their contributions and

support and I urge the adoption of the conference report for S. 1004.

Mr. STEVENS. Mr. President, the Coast Guard is very important in Alaska, where the commercial fishing industry is the largest private sector employer. We have over half the coastline of the United States, and sportsmen from around the world come to fish off Alaska. Alaskans and others rely on the Coast Guard every single day in Alaska.

At a national level, the Coast Guard is also important. Nationwide last year, the Coast Guard: (1) saved 4,450 lives—an average of one life every two hours; (2) assisted 98,900 persons in distress; (3) conducted 12,634 fisheries boardings; (4) inspected 38,000 U.S. vessels and 9,000 foreign vessels; (5) conducted 51 drug seizure cases, confiscating 23 tons of marijuana and 49,000 pounds of cocaine; (6) conducted 16,976 pollution investigations; (7) serviced 39,059 Federal navigation aids; and (8) saved or protected \$7.3 billion in property, more than twice the Coast Guard's budget in 1995. In short, the Coast Guard performs functions that are vital to every American who goes near the water.

The conference bill and statement reauthorize the important activities of the Coast Guard for fiscal years 1996 and 1997. Our statement explains each of the sections of the bill, so I will not go through it in detail here.

I would like to thank Conference Chairman BUD SHUSTER and his staff, Rebecca Dye and Ed Lee. They have done a great job running this conference. In the Senate, I want to thank Chairman PRESSLER, and his staff Tom Melius and Jim Sartucci. Chairman PRESSLER's record as chairman this Congress has been remarkable. His accomplishments have included the Telecommunications bill, the ICC dismantling bill, the Maritime Security bill, the Magnuson reauthorization, and now the Coast Guard authorization, to name a few. Both Tom Melius and Jim Sartucci have been invaluable to the chairman and to me on the Coast Guard bill and other legislation.

Thanks also to Senator HOLLINGS and Subcommittee Chairman KERRY for their help with this bill, and to their staff, Penny Dalton, Carl Bentzel and Lila Helms. Lastly, I would like to thank my legislative director, Earl Comstock, and my staff on the Oceans and Fisheries Subcommittee, Trevor McCabe, for their work on S. 1004.

I strongly support the enactment of this important legislation.

• Mr. KERRY. Mr. President, I am pleased to join my distinguished colleagues Senators STEVENS, HOLLINGS, and BREAUX in bringing this bill before the Senate today to authorize the programs and activities of the United States Coast Guard for fiscal years 1996 and 1997.

In this time of dramatic changes in our society and our Government, I speak in support of an agency which I think virtually everyone if not abso-

lutely everyone can agree is a good investment—the United States Coast Guard. This is something that I have observed at close range; the Coast Guard is vital to my state of Massachusetts, with its hundreds of miles of coastline, unforgiving storms, bustling maritime industry, history-rich fishing industry and thriving recreational boating population.

Moreover, the Coast Guard is vital to the safety and well-being of citizens in every coastal state, and in every state with navigable waters. Today, over 50 percent of the U.S. population lives within the coastal zone, and directly benefits from the services the Coast Guard provides. Indirectly, the Coast Guard provides invaluable services to every American. In fact, more than two-thirds of the total budget for the Coast Guard is used for its operating expenses, as it provides for the public safety, protects the marine environment, enforces laws and treaties, maintains aids to navigation, prevents illegal drug trafficking and illegal immigration, and preserves defense readiness.

As we act on this bill, it is fitting that we briefly review the history of our Nation's oldest continuous sea-going service—that has fought in almost every war since the Constitution established our government in 1789. Throughout its history of over two hundred years, the Coast Guard has served as a multi-mission service, flexible enough to adjust to the needs of the nation in peacetime as well as wartime. From its origins as the Revenue Cutter Service enforcing tariff laws of the young nation under Alexander Hamilton's command in 1789, to its activities today of saving lives, enforcing U.S. laws and treaties, ensuring maritime safety and defense, maintaining safe navigation and protecting the environment, the Coast Guard has served and continues to serve the nation well.

Because of this legacy of service, I believe it is our responsibility to ensure that the Coast Guard has adequate resources for its missions as it prepares for the next century. We should be concerned that the Coast Guard is capable of meeting its existing mandates and recognize the Coast Guard's ever-expanding roles and missions in our coastal waters and beyond.

The Commonwealth of Massachusetts has a long and storied involvement with the sea and the Coast Guard. One of Alexander Hamilton's 10 original revenue cutters was built in the city of Newburyport. Today's Coast Guard cutters are stationed in the ports of Boston, Gloucester, Woods Hole, and New Bedford. The first lighthouse built in the country was Boston Light in 1716. Today, Boston Light stands as the only manned lighthouse still in operation in the United States. The people of Massachusetts love the water and many rely on it directly or indirectly for their livelihood. The men and women of the Coast Guard keep watch over the fishing fleets, the maritime industry,

and the over 145,000 recreational boats registered in Massachusetts. Indeed, I believe that Massachusetts has a unique and historic relationship with the Coast Guard.

But we all know that the Coast Guard's mission does not end at our shore. It protects all of our interests throughout the world, in times of war and peace. From supporting U.S. peacekeepers in Haiti, to responding to oil spills in the Persian Gulf, to supporting drug interdiction efforts in South and Central America, the Coast Guard has been there. Its work has been exemplary, but it seems that we continually ask the Coast Guard to do more with less, a practice that has persisted for some time. The Coast Guard is now in the process of a 4-year downsizing and streamlining which will ultimately reduce the Service by 12 percent—4,000 people and \$400 million. I believe that we must eventually acknowledge the finite limitations on Coast Guard capabilities and resources and I am deeply concerned about some of the choices that it will be forced to make. The bill before us today will assist the Coast Guard in this respect, allowing it to do its job more effectively and efficiently. This ultimately will benefit the public by increasing the level of safety on the Nation's waterways.

This bill contains an assortment of significant provisions. Long awaited by the maritime industry, the Coast Guard regulatory reform provisions contained in the bill will eliminate unnecessary and burdensome regulations on American shipping companies, enabling them to be more competitive in the world market. This reform will save precious resources while also relieving an unnecessary burden from a struggling industry.

A provision amending the Act to Prevent Pollution from Ships will strengthen Coast Guard enforcement capability for protecting the environment from plastics, will ensure adequate waste reception facilities at ports and terminals, and will encourage public education and reporting programs.

To increase the tools in our war on drugs, the bill will provide new authority for Federal law enforcement officials by eliminating the potential defense of some would-be drug smugglers arrested during a vessel boarding at sea by the Coast Guard. Some smugglers have thwarted prosecution by claiming protection of another country's flag during legal proceedings, when at the time of the Coast Guard boarding at sea when they were arrested, they claimed their vessel was a stateless vessel.

To make the best use of an existing technology, and to prevent a dangerous disconnect to develop during the migration to a new navigation technology, the bill calls for the Coast Guard to develop a plan for the transition from the current ground-based radio navigation technology [LORAN-C] system to a satellite-based tech-

nology, global positioning system or GPS. For safety, this plan will include an appropriate timetable for transition from LORAN-C after it is determined that GPS can serve adequately as a sole means of safe and efficient navigation. The plan must also take into consideration the need to ensure that LORAN-C equipment purchased by the public before the year 2000 has a useful economic life. This provision ensures that those that made the financial investment in LORAN-C equipment will not suddenly find that system is worthless.

The Coast Guard's efforts to downsize and streamline have been admirable, and, in general, I support the Coast Guard's plans to streamline and consolidate operations where possible. In fact, I applaud the Coast Guard's recently announced streamlining plans which do not close or consolidate any front-line operating units while they reduce the Service's personnel by 1,000 people and its overhead expense by \$100 million. However, I am concerned by the proposal to close 23 of the Coast Guard's front-line Small Boat Stations as a cost cutting effort to save \$6 million.

Another important issue is involved in the Coast Guard's proposed closing of small boat stations. I have looked closely at the criteria used by the Coast Guard to develop the closure and station modification lists and was surprised to find absent from the criteria any consideration of local and regional factors, including water temperature and unusual tidal or current conditions. The Coast Guard uses a "one-size-fits-all" approach to determining response time for its small boat stations. I believe that other important regional criteria such as severe weather conditions and tides and currents should be considered as well. For example, in some regions these conditions could slow the average response, and colder water temperatures could necessitate a quicker response time. In 1789, Treasury Secretary Hamilton, the founding father of the service that eventually became the Coast Guard, was the first to acknowledge that such conditions matter when he allowed additional funding for the construction of two larger revenue cutters in order to handle the harsh weather conditions off the coast of New England. These conditions have not changed, and it is equally legitimate and essential today for local and regional conditions to be addressed in any Coast Guard decision process. This is not a consideration limited only to Massachusetts—or even to the New England region. Especially challenging conditions exist in numbers of regions, including, for example, the Great Lakes and the Northwest Pacific.

The Coast Guard criteria also appear to exclude consideration of vital Coast Guard missions other than search and rescue—including marine environmental protection; boating safety; enforcement of drug, illegal alien, and

fisheries laws. In determining whether to close a station, I believe it is important for the Coast Guard to take into account all the services provided by the station. The Coast Guard also should contemplate the alternative measures for maintaining the station's current level of service in the area it serves.

The provisions in this bill establish a more detailed and public process to address station closure issues and those enunciated by the Senate appropriations Committee last year. My provision includes the appropriators' prohibition on station closures for fiscal year 1996. However, the provision in this bill does not prohibit station closures in the future; it only requires the Coast Guard to take into consideration the unique local and regional conditions, including water temperature, in reaching a closure decision. It also requires the Coast Guard to determine and take into account the cop on the beat effect of the station. The presence of the station, and boats and Coast Guard personnel on the water, has a positive impact on local boaters and serves as a deterrent to crime. This provision also requires the Secretary of Transportation to ensure that the closure of a station will not result in the degradation of services that would cause significant increased threat to life, property, environment, public safety or national security. Also important, the provision requires public review procedures to be established and used by the Coast Guard so that those coastal communities most impacted by the closure of a station can submit comments on their concerns before the final decision is made.

Ultimately, though, nothing in the bill prohibits the Secretary of Transportation from implementing management efficiencies within the small boat system, such as modifying the operational posture of units or reallocating resources as necessary to ensure the safety of the maritime public nationwide. I believe that my provision gives the Coast Guard the flexibility to make the operational changes it needs to make, but ensures that coastal communities, their residents, and the environment are not put at risk by closing a station.

I am extremely pleased to have secured another key provision for Massachusetts in this bill—language that will permit financing to go forward to revitalize the Fore River Shipyard in Quincy, MA. Section 1139 of the bill is based on an amendment originally sought by Senator KENNEDY and me in the Commerce-State-Justice appropriation bill for fiscal year 1997, and later amended by Majority Leader LOTT. In my view, Senator LOTT has not inappropriately toughened up the language. In the case of the Quincy project, this language will place a greater responsibility on the Commonwealth of Massachusetts to help underwrite the necessary financing. I am satisfied that the new language leaves enough discretion to the Maritime Administration so



that a suitable arrangement can be reached that is both affordable and acceptable to the Commonwealth. This is a matter on which I, Senator KENNEDY, and Representative STUDDS have been working for over a year.

Specifically, section 1139 establishes the basis for the Secretary of Transportation to assist certain shipyards, including the yard at Quincy, by facilitating the extension of Federal loan guarantees for the reactivation and modernization of those yards and the construction of vessels by the yards. Significantly, this section has been carefully drafted to provide several layers of protection to the Federal taxpayer, and to ensure the State where a yard is located shoulders a degree of the financial burden of revitalizing the yard, and also a portion of the financial risk. For example, subsection (d) requires the State or a State chartered agency where the yard is located to deposit the amount of funds needed to cover the percentage of the risk factor cost under the Federal Credit Reform Act into the Federal treasury, and provides for the reversion of the funds to the State if no obligation needs to be paid from the deposited funds. I fully expect that the percentage of the risk factor under this subsection will never exceed 12 percent. It appears to me that a deposit from the State of 12 percent will be more than adequate to fulfill the requirements associated with the risk of default for a project of this nature.

This provision is significant to my State because the Quincy Shipyard project is the first of its kind. It is the first project to revitalize an inoperative shipyard and put it back into production as a state-of-the-art facility that will employ up to two thousand workers in good jobs. This is an amendment that makes sense, because the proposal to revitalize the Quincy Shipyard will turn it into a shipyard on the cutting edge of technology and one which will produce vessels that will be in demand in the international marketplace for years—double-hulled oil tankers to carry petroleum safely around the world. The Federal Government's investment in the Quincy Shipyard will be repaid many times over through the jobs that will be created, and through the renewed position of American maritime leadership that the project will help us attain. Now that Congress has done its part, it is incumbent upon the Commonwealth, the city of Quincy, the Massachusetts Heavy Industries Corp., and the Maritime Administration to make this project a reality.

This bill is the culmination of almost 2 years of effort, and I would like to thank the chairman of the subcommittee, Senator STEVENS, the chairman of the Commerce Committee, Senator PRESSLER, and the committee's ranking Democrat, Senator HOLLINGS, for their hard work in bringing this bipartisan bill to the floor. I believe this bill and the work of the four of us provide a superb example of how this institu-

tion can effectively write and pass good law. I also would like to acknowledge the hard work and long hours invested by the staffs on both sides of the aisle, including Penny Dalton and Lila Helms on the Commerce Committee minority staff, and Tom Melius, Trevor McCabe, and Jim Sartucci of the majority staff. On my personal staff, I would like to acknowledge the work of Kate English, Steve Metruck, Peter Hill and Tom Richey on this bill.

This bill is carefully considered, and carefully written. It merits passage. I urge my colleagues to vote for it today. ●

Mr. SMITH. Mr. President, I rise today in support of the Coast Guard Authorization Act which includes a number of provisions related to preventing oil spills in the future. Two of these provisions were added to the bill at my request, and arise out of an oil spill that occurred in Portsmouth, NH on July 1, 1996.

For the benefit of my colleagues, I would like to take the chance to briefly explain the series of events that led to this oil spill. At approximately 10:30 p.m. on Monday, July 1st, the tanker "Provence" was off-loading fuel at the Schiller Station powerplant in Portsmouth when, during a flood tide, the ship parted its mooring lines and began to drift into the middle of the Piscataqua River. One of the workers who was involved in off-loading the ship, quickly acted to shut off the pumps, but unfortunately, approximately 1000 gallons of number 6 fuel oil, which was contained in the hoses of the ship, spilled into the river. The ship then drifted over to the Maine side of the river and ran aground. Given the fact that the ship contained 250,000 barrels of oil, it is fortunate that a much more serious accident did not occur.

Less than 15 minutes after the grounding occurred, the Portsmouth Response Co-op, a local entity created to respond to these types of spills, had already begun stationing oil containment booms around the tanker, and a little more than one-half hour after that, the Coast Guard was at the site responding to the spill. Although there was a quick response to this incident, the number 6 oil that was spilled at this site is a type of oil that is heavier than water, and thus, sank to the bottom of the Piscataqua River. The result was that thousands of lobsters were soiled or killed in an area that is a prime fishing spot for the lobstermen of my State.

Notwithstanding the fact that they were limited in their ability to respond to the spill, I believe that the local fishermen, the Portsmouth Co-op, the State of New Hampshire Department of Fish and Game and the United States Coast Guard should all be commended for their expeditious and highly professional response to this spill.

Soon after the spill, I was able to take a tour of the Piscataqua on the boat of Mr. Ed Heaphy, a lobsterman in my State, in order to understand, first

hand, what occurred with this spill. While it is too soon to fully grasp the long term effects from this incident, it appears that the oil has dissipated and the lobstermen are again able to fish in this area. During my tour, and the subsequent conversations I have had with the Coast Guard, it has become readily apparent to me that there are two problems that occurred related to this spill that deserve additional attention by the Coast Guard.

The first issue involves the oil itself. The number 6 oil that spilled in the Piscataqua is classified as "group 5" oil by the Coast Guard because it is heavier than water and sinks to the bottom when it is spilled. In Portsmouth, little could be done to clean up this oil except to attempt to "fish" it off the bottom of the river utilizing oil sorbent pads tied to anchors dangled from boats. I think this is a primitive way of addressing an important oil cleanup issue.

The second issue at this site involved the oil pumping operations on the ship. Although we were fortunate that quick action resulted in the pumps being shut off, if this action had not occurred, hundreds, if not thousands of gallons per minute could have been pumped into the river. It appears obvious that we should not have to count on luck in such an incident.

Given these two circumstances, I felt that it was urgent that we take a closer look at these issues to determine if further action needs to be taken to prevent a reoccurrence of these types of spills in the future. For this reason, I drafted an amendment to attach to the Coast Guard Authorization Act. This amendment addresses the two problems highlighted during the spill in Portsmouth. The first provision would require a study of cleanup methods for group 5 oils and a report to be submitted to Congress within 18 months of the passage of this legislation. The second provision would require a study of the need for automatic fuel shutoff equipment and a report to be submitted to Congress within 18 months. In addition, this amendment gives the Secretary of Transportation the authority to adopt a rulemaking to take action on these two issues if he finds, as a result of the studies, that action is necessary to abate a threat to public health and the environment.

I would like to thank the Republican Leader Senator LOTT, the chairman of the Energy Committee, Senator CHAFEE, Senator STEVENS, the chairman of the Subcommittee on Oceans and Fisheries, and Senator PRESSLER, the chairman of the Commerce Committee, for their willingness to work with me to have this amendment adopted. I believe that this study will lead to solutions that will avoid these problems in the future, and I urge my colleagues to support it.

Mr. LIEBERMAN. Mr. President, I rise today to express my strong support for the provisions in this bill designed to strengthen our oil spill prevention

laws. This bill incorporates key provisions of S. 1730, legislation introduced by Senator CHAFEE which I was proud to cosponsor. I congratulate Senator CHAFEE for his outstanding work in this area and I was delighted to be able to work closely with him on these provisions.

Last February in Rhode Island, Senator CHAFEE and I had the unfortunate responsibility to review the tragic economic and environmental impacts of the oil spill resulting from the grounding of the barge *North Cape* off the coast of Rhode Island. At that hearing and in subsequent hearings in Washington, we also examined the implementation of the Oil Pollution Act of 1990.

We learned during those hearings that one of the goals of the 1990 Act—improving the response time for an oil spill—was largely fulfilled. Unfortunately, we also learned that the pollution prevention provisions of the Act were not working as well as the response provisions. We also heard about concerns with implementation of some of the provisions designed to ensure expeditious compensation for the victims of oil spills, such as the fishermen in Rhode Island.

We learned at our hearings that the regulatory system for tows and barges is woefully inadequate, even though they travel through some of the most environmentally sensitive areas and stormy waters. For example, barges are not required to have an operable anchor on board. Such an anchor would have slowed, if not stopped, the barge *North Cape* from drifting toward the Rhode Island shore, according to an expert witness at one of our hearings. There are no requirements for adequate firefighting equipment on towing vessels. The grounding of the barge *North Cape* was triggered by a fire on board the tug *Scandia* and the crew of the *Scandia* apparently was unable to gain access to the area where the fire suppression system was located.

I am pleased that this legislation addresses many of the problems we learned about in the aftermath of the Rhode Island spill. Let me review just a few of the highlights.

The bill takes strong steps to reduce the risks of oil spills from single hull tank barges. By October 1, 1997, the Secretary of Transportation must issue a rule requiring single hull tank barges to have at least one of the following: a crewmember and an operable anchor on board the barge that can stop the barge without additional assistance; an emergency system on the barge or towing vessel that will allow the barge to be retrieved by the towing vessel if the towline ruptures; or other measures that the Secretary determines will provide comparable protection against barge grounding.

The legislation also requires that by October 1, 1997, the Secretary require the installation of fire suppression systems or other measures to provide assurance that a fire on board a towing vessel towing a tank vessel can be suppressed.

Another important provision of the bill reaffirms that the Oil Pollution Act of 1990 allows those who have suffered economic loss from an oil spill to receive payment for interim, short-term damages without losing their right to recover all damages down the road. In Rhode Island, some fishermen who needed money immediately for their daily existence were reluctant to pursue partial claims because of fear that they might waive their rights to long-term damages. They suffered significant hardship, and we want to assure that such a situation will not happen again.

The bill also strengthens the current law's requirement for compliance with a response plan in the event of a spill. It provides that such plans must be followed unless deviation would provide for a more expeditious or effective response to an oil spill or mitigation of its effects.

The bill also includes an important study that the Secretary, in coordination with the Marine Board, must conduct on the risk of oil spills from lightering operations, including recommendations on measures that would likely further reduce the risks of oil spills from lightering operations. These recommendations should help to protect our local marine environment from the threats posed by such spills.

Oil spills are an unfortunate fact of modern life, but their effect on our world, the economy, and people can be minimized if we write and enforce good laws that make spills rarer, allow quicker cleanup and provide adequate compensation to victims. The Oil Pollution Act of 1990 helped make the Rhode Island spill of 1996 less severe than it might otherwise have been. But the spill might have been avoided altogether, and that must remain our goal for the future. Enactment of the legislation we are considering today will help move us toward that goal.

Ms. SNOWE. Mr. President, I rise in strong support of the conference report for the Coast Guard Authorization Act of 1996.

Mr. President, many senators, particularly those who represent landlocked States, would probably not think of a Coast Guard reauthorization bill as being a very difficult undertaking. But the development and negotiation of this bill has not been easy.

Three years have elapsed since the Coast Guard was last reauthorized, even though this essential agency is supposed to receive an annual authorization like the Defense Department. Unfortunately, several controversial issues have slowed the progress of this bill, and it was not until yesterday that the last of these was finally resolved between the Members of the House and Senate on both sides of the aisle.

I think the fact that we have gotten the bill this far—to the verge of sending a conference report to the President—is a testament to the expert leadership that the bill has been fortu-

nate to receive. Senator STEVENS, the Oceans and Fisheries Subcommittee chairman, and Senator PRESSLER, our full committee chairman, have done an impressive and artful job of shepherding this bill past many seemingly insurmountable obstacles and pitfalls. This bill teetered on the precipice on several occasions during the past 2 years, and each time, Senators STEVENS and PRESSLER rescued and revived the measure. Their deft handling of this measure is what has brought it so close to enactment.

Mr. President, the American people want this bill. The Coast Guard provides an essential service for our country. It makes the waters of this maritime Nation safe for the mariners of all stripes who ply our waters—the commercial and sport fishermen, the merchant seamen, the sailing enthusiasts, the cruise ship passengers, and others. It defends our borders from the depredations of the drug lords who would export their poison to our communities. It protects our waters from oil spills and other forms of marine pollution.

We need to reauthorize and update the legislative authorities for this critical agency, and this conference report does a good job in that regard. Not only does this report include necessary reforms and authorities for the Coast Guard, but it is a fiscally responsible piece of legislation. It authorizes approximately \$3.8 billion for the Coast Guard in fiscal years 1996 and 1997. This amount represents a very small increase over the funding levels in the previous authorization which expired in 1993.

Mr. President, I would also like to specifically mention several provisions in the report that are based on amendments I sponsored or cosponsored with other Senators during consideration of the Senate bill, and that have been retained in the conference report.

One of the longest lasting legacies of this bill will be the preservation of 36 lighthouses on the coast of Maine. This provision originated as a stand-alone bill earlier in the year, S. 685. It was adopted by the full Senate in S. 1004, the Senate Coast Guard bill, and it is included in the conference report.

This provision will create the Maine Lights program to transfer these historically and environmentally important lighthouses to new owners who will agree to maintain them, preserve their historic character, preserve ecological resources on adjacent property like seabird nesting habitat, and provide access to the public. In short, this legislation provides a way to preserve these lighthouses at very little or no cost to the federal government.

Mr. President, long after this bill passes, when citizens from all over the country visit the Maine coast and admire the lighthouses, they will have this Congress to thank for its vision and its commitment to preserving such a valuable piece of the Nation's coastal heritage.

Times have changed since the lighthouses that we will protect in this bill

were first constructed, but one thing hasn't changed: the heart of the Coast Guard's mission is still the human emergency response, the rescues at sea. It's critical that the Coast Guard maintain this capability to respond promptly and professionally to all accidents in American waters, even while we are engaged in the necessary process of balancing the budget and protecting the fiscal health of the Nation.

Senator KERRY and I authored an amendment in the Commerce Committee to prevent the Coast Guard from closing any of its small-boat, multi-mission stations unless the Secretary first certifies that the closure will not result in a degradation of services that threatens life, property, the environment, or public safety. Language that I included in this amendment provided, in particular, that a proposed station closure will not hamper the Coast Guard's ability to meet its 2-hour standard for responding to search and rescue requests.

At the request of the House, we agreed to streamline the Senate provisions for the conference report, but the report maintains the key components of our amendment. The Coast Guard will still have to certify that the closure of a small boat station will not impair the agency's ability to maintain the safety of the maritime public. It will still have to ensure that search and rescue standards, such as the two-hour response time, will have to be met. And it will still have to ensure that the extra safety threats posed by unique or special marine conditions, such as exceedingly cold water, will be fully considered before any stations are closed. This is a very important provision that will guarantee that the safety of the maritime public will not be diminished if the Coast Guard decides to close a small-boat station.

Mr. President, another provision that I sponsored during Senate consideration and that has been retained in the conference report will facilitate a timely and effective response in the event of an oil spill in certain areas near our foreign borders such as Passamaquoddy Bay on Maine's border with Canada.

Passamaquoddy Bay is a large, virtually pristine bay and estuary system that is internationally recognized as a staging area for migratory waterfowl and shorebirds. In addition, the bay area has substantial economic value, hosting major aquaculture and commercial fishing operations, a vibrant tourism industry that depends on the health of the bay, and one of Maine's three major cargo ports.

Unfortunately, this important resource would be relatively unprotected in the event of a major oil spill. The State of Maine does not have an adequate number and type of oil spill response vessels in the vicinity of Passamaquoddy Bay. Some Canadian-registered vessels based north of the bay could do the job, but current federal law prevents these vessels from operating in U.S. waters.

To address this kind of problem, my amendment, which was modified in cooperation with other senators prior to adoption of the conference report, will allow foreign-registered oil spill response vessels to be used in U.S. waters in the event of an oil spill. The authority only applies on a temporary and emergency basis, however. And it only applies as long as U.S.-documented response are not available to respond in a timely manner. Furthermore, the modified amendment makes this authority contingent on the nation in which the foreign vessel is registered providing the same privileges to U.S. response vessels.

This provision will help to ensure that U.S. waters like Passamaquoddy Bay receive the maximum amount of protection from an oil spill, while giving U.S. recovery vessels priority consideration for doing the work if they are available.

Mr. President, as we consider this conference report, the State of Maine and the Coast Guard are grappling with a significant oil spill that occurred yesterday in Portland harbor. The spill occurred after a tanker carrying diesel fuel struck a drawbridge. This is obviously a very unfortunate development, and we wish it had not happened. Once the spill has been cleaned up, it will be thoroughly investigated by federal authorities.

But the spill does underscore the very serious need to make sure that all of our coastal areas are fully equipped to respond effectively to oil spills. The conference report contains a number of provisions to do that, including the amendment that I just described, and these provisions take on an added urgency in light of the Portland oil spill.

Finally, I wanted to reference the section on financial responsibility under the Oil Pollution Act. I offered an amendment in the Commerce Committee that addressed the aspect of this issue dealing with marinas and on-shore fuel terminals. Under some current interpretations of OPA, these facilities could have been subjected to the act's extremely expensive financial responsibility requirements, even though the act was intended to cover offshore drilling platforms and other large production facilities that could be involved in large oil spills.

Mr. President, the financial responsibility language in the report reflects a compromise that Senators on the Commerce and EPW Committees, and Members of the House, negotiated on this issue. Among other things, it simply clarifies that marinas and onshore fuel terminals are not subject to OPA's financial responsibility requirements. This legislation will benefit many small businesses, boaters, commercial fishermen, oil distributors, and fuel consumers across the country without jeopardizing important environmental protections.

Mr. President, this is a very good bill, and it is the result of a lot of hard work and painstaking negotiation. It

deserves the strong support of all Senators, and I would urge my colleagues to vote yes and send it to the President.

#### CRUISE SHIP REVITALIZATION ACT

Mrs. BOXER. Mr. President, today we close a 3-year effort to fix a problem in State law that has led to scores of cruise ships bypassing my State of California, taking thousands of jobs and millions of dollars in needed revenue with them. Our ship, finally, has come in, and I thank my colleagues here who have helped bring the cruise ships back to the Golden State.

The conference report the Coast Guard Authorization Act includes my legislation, the California Cruise Industry Revitalization Act, S. 138, that responds to pleas from ports in my State—and the California Legislature—to overturn a State law that has harmed the cruise ship industry and the hundreds of jobs it creates. The California Cruise Industry Revitalization Act has strong bipartisan support and no opposition. It affects only my State.

I am thrilled to announce that because of our high-profile efforts to win this provision in the past week—either as part of the Coast Guard bill or the FAA bill—two major cruise lines have announced that they will return to the Port of San Diego by the end of the year, if this legislation passes. The two lines, Royal Caribbean and Carnival Cruise, pulled out in 1992.

The section of the conference report incorporating my bill corrects a problem that occurred when California responded to a 1992 congressional amendment to the Johnson Act, permitting states to prohibit gambling on intrastate cruises. The California law was written to prevent a proliferation of casino development on Indian land within the State as well as to reinforce the longstanding statutory prohibitions against gambling ships and cruises to nowhere. Unfortunately, it also prohibited ships on international cruises from making multiple ports of call within the State.

My legislation simply makes a technical change to the Johnson Act, allowing a cruise ship to make multiple ports of call in one State and still be considered on an interstate or international voyage.

This legislation is essential to restoring California's cruise ship industry, which has lost 2,400 direct and indirect jobs and \$325 million in tourist revenue since 1993. Many cruise ship companies have bypassed second and third ports of call within California.

The State's share of the global cruise ship business has dropped from 10 to 7 percent at the same time that growth in the cruise ship business overall has climbed 10 percent a year. Our lost market share has gone not to other States but to foreign countries along the Pacific coast.

Mr. President, this legislation is not simply a matter of getting Washington out of the way, as some have said. The

1994 California Assembly Joint Resolution No. 40 specifically states, "That California memorializes Congress to amend the Johnson Act to remove California's authority to regulate gambling on cruise ships traveling to foreign ports or on segments of voyages going to another State or country.\* \* \*

Furthermore, the California Trade and Commerce Agency wrote the Senate Commerce Committee urging support for this legislation.

Today, we fulfill that request. We have been able to do so because of the hard work of many people in and outside of this Congress. I first want to thank former Congresswoman Lynn Schenk of San Diego, who first brought this bill to my attention. Lynn persuaded her House colleagues to pass this provision which was included in several maritime bills which passed the House in 1994 only to die in the legislative gridlock that fall.

Unfortunately, Lynn did not return to renew the fight in the 104th Congress. However, the Port of San Diego and other ports in California took up the call and repeatedly wrote and called congressional leaders urging support for this measure. Congratulations Lynn. I was honored to work with you.

Last year, the Committee on Commerce, Science, and Transportation agreed to attach my bill to the Coast Guard Act. I want to thank Senator HOLLINGS, the committee's ranking member, and his staff, for their unwavering support for my provision as the Coast Guard bill in conference entered troubled waters with unrelated, controversial matters inserted in the House version.

I also want to thank Senator FORD, ranking member of the Aviation Subcommittee, for his stalwart support not only in attaching my bill to the FAA Reauthorization Act but to making sure it stayed there in conference with the House until we were assured of the Coast Guard bill's passage.

We could not have won this victory without the help of the distinguished Democratic leadership of the committee, Senator HOLLINGS and Senator FORD. California owes a debt of gratitude to their leadership.

My thanks also to Congress Members JANE HARMAN, BRIAN BILBRAY and BOB FILNER who worked hard to get this bill through the House.

Mr. NICKLES. Mr. President, I ask unanimous consent that the conference report be considered adopted, the motion to reconsider be laid upon the table, and, finally, that any statements relating to the conference report be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The conference report was agreed to.

#### NATIONAL MARINE SANCTUARIES ACT

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate

proceed to the immediate consideration of H.R. 543, which was received from the House.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 543) to reauthorize the National Marine Sanctuaries Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. KERRY. Mr. President, since the day I arrived in the Senate nearly twelve years ago, I have worked hard to address the many challenges confronting our ocean and coastal resources. After all, few states draw as much of their national and regional identity from their coastal areas and contiguous oceans as does Massachusetts.

Often with my distinguished colleagues, the Senator from South Carolina, Senator HOLLINGS, and the Senator from Alaska, Senator STEVENS, I have worked to improve national marine resource management. My efforts have come through my membership on the Senate Commerce, Science and Transportation Committee, and particularly as ranking member on the Oceans and Fisheries Subcommittee and as co-chair of the subcommittee's predecessor, the former National Ocean Policy Study (NOPS).

Over the past 25 years, Congress has worked to develop innovative policy solutions to enable the long-term protection, conservation, utilization and management of our vulnerable marine resources. We have acted to ensure strong coastal economies in Massachusetts and a clean, healthy coastal environment from the Gulf of Maine to the Gulfs of Mexico and Alaska.

One of these innovative programs is the Magnuson Fisheries Conservation and Management Act, which in 1976 introduced the new concept of domestic fishery management councils to guide the development of commercial fishery management plans. In close concert with Senator STEVENS, Senator HOLLINGS and several other Senators, I have worked long and hard during this Congress to strengthen and reauthorize the Magnuson Act. I am delighted that this effort has been successful and that the bill is on its way to the White House for the President's signature. It will greatly aid us in ensuring ecologically and economically sustainable fisheries for future generations.

Another successful innovation in marine resource protection has been the National Marine Sanctuary Program, created in 1972 and last reauthorized in 1992. Administered by the National Oceanic and Atmospheric Administration (NOAA), the National Marine Sanctuary Program is a proven success and one in which we should all take pride. I strongly support the National Marine Sanctuaries Preservation Act

and urge my colleagues to support this very important reauthorization bill.

H.R. 543 represents another step toward fulfilling a national commitment to further protect our coastal oceans, sustain marine biological diversity and fishery stocks, and encourage comprehensive natural resource management that provides for appropriate recreational and commercial activities. The marine sanctuary program successfully demonstrates that environmental protection and economic opportunity can co-exist. We can have both jobs and environmental conservation.

H.R. 543 is a straightforward reauthorization bill. It makes only minor changes to the Sanctuaries Act, and on balance, it strengthens the sanctuary program. The bill provides \$45.5 million over the next 3 fiscal years to fund the management of the 14 existing marine sanctuaries, including the Stellwagen Bank National Marine Sanctuary off Massachusetts Bay. I am assured by NOAA that this amount is adequate to sustain present management activities at all existing sanctuaries. In addition, this bill provides important authority to NOAA to develop alternative funding sources to augment government spending and enhance marine sanctuary research and management activities.

This bill makes permanent the temporary authority given to NOAA in 1992 to market and license a sanctuary program logo developed as part of a pilot logo program. Not only will this revenue enhancement program broaden the recognition of the sanctuary program, it will provide opportunities to develop supplemental funding to support sanctuary management activities. Amounts generated from this new initiative are expected to be quite limited at first, but are an important step in the long-term development of the marine sanctuary program.

H.R. 543 also addresses the current controversy regarding the designation of a new marine sanctuary in Washington state. The members of the Committee on Commerce, Science, and Transportation have worked closely with Senator MURRAY to address these concerns and we are pleased that this bill reflects those changes agreed upon.

Finally, Mr. President, I would be remiss if I did not at this time recognize the dedication to the cause of ocean and coastal resource protection of my esteemed colleague and friend from Massachusetts, GERRY E. STUDDS, who has been an outstanding leader in the Congress on this issue.

For the 20 years that GERRY STUDDS has served in Congress, he has demonstrated time and time again a responsiveness to the needs of his constituents. These needs understandably have been shaped very often by the important marine and coastal resources of Massachusetts. Through his close and constant association with the ocean, GERRY STUDDS has developed a

sensitivity and insight into the complexity of the marine and coastal environment that few members could challenge. This insight has served him well as a Chairman of the former House Merchant Marine and Fisheries Committee, and in his present capacity as ranking member on the House Subcommittee on Fisheries, Wildlife and Oceans. Let there be no mistake: GERRY STUDDS' mark on national environmental policy, especially in the marine environment, has been profound.

Section 11 of H.R. 543 formally changes the name of the existing Stellwagen Bank sanctuary off the coast of Massachusetts to the "Gerry E. Studs Stellwagen Bank National Marine Sanctuary." I realize after having worked closely with Congressman STUDDS on the designation of Stellwagen Bank in 1992 how deeply he feels about this very special place. It is a fitting tribute that this unique marine resource, which he worked so hard to protect for future generations, should bear his name. His knowledge, his expertise and his humor will all be missed. I will miss him as a friend and colleague in the Congress. But the Gerry E. Studs Stellwagen Bank National Marine Sanctuary will remain a constant reminder of his impressive environmental legacy.

In closing, Mr. President, I have worked closely this Congress with my friend, the Chairman of the Oceans and Fisheries Subcommittee, Senator STEVENS, to pass strong, positive marine resources legislation that reflects and reaffirms the importance of ocean and coastal resources to our Nation and ensures they are treated as the priceless and essential natural resources they are. Not unlike the Sustainable Fisheries Act (S. 39), the Antarctica bill (H.R. 3060), and the reauthorization of the Coastal Zone Management Act (H.R. 1965), this bill is another positive step toward ensuring that our Nation's vital marine and coastal resources are conserved and sensibly managed for the benefit of all. I wholeheartedly support this bill and urge my colleagues to do the same.

Mrs. MURRAY. Mr. President, I thank the distinguished chairman and ranking member of the Commerce Committee, as well as Senator GORTON and Congressman METCALF, for their work on this bill.

We have reached an agreement on the provisions regarding the Northwest Straits of Washington State which I think will serve everyone's best interest. My amendment to the House passed bill deletes language establishing a local advisory committee under the control of NOAA, while retaining the requirement that final designation of a marine sanctuary in the Northwest Straits occur only via congressional authorization.

I was concerned that the creation of a NOAA-controlled advisory committee would undermine the very intent of bringing local community members together to consider the resource protec-

tion needs of the Northwest Straits in an objective and open forum. Many members of the local communities have serious concerns about the performance of NOAA over the last several years with regard to the proposed sanctuary. To establish a new advisory committee under NOAA's control would only perpetuate those concerns. I think it is much better if such local commissions or committees develop on their own, independent from the NOAA process, much as the Marine Resources Committee in the San Juan Islands has done.

It is my understanding that as NOAA continues with its assessment of the resource protection needs of the Northwest Straits, it will provide personnel and technical expertise and information to any local advisory committees or commissions that may develop and will include any recommendations put forward by such committees or commissions in NOAA's assessment.

My amendment will allow us to move this important bill forward with bipartisan consensus. I appreciate the significant role the Marine Sanctuaries Program plays in the protection of our Nation's ocean resources. The protection of marine life and marine habitat is a worthy goal. Marine sanctuaries may not only protect the marine environment but may also support regional economies by creating recreational and tourism opportunities and enhancing commercial fisheries and associated industries by providing refuges for fish and other marine life. I fully support this legislation, and I urge my colleagues to support our agreement.

Mr. NICKLES. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid on the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 543) was deemed read the third time and passed.

#### ORDER FOR COMMITTEES TO FILE SPECIAL REPORTS

Mr. NICKLES. Mr. President, I ask unanimous consent that on November 21, 1996, between the hours of 10 a.m. and 2 p.m. committees have the authority to file special reports on non-legislative matters only. This does not include executive matters such as treaties or nominations, nor does it allow committees to report bills or resolutions after the sine die adjournment.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### FORT PECK RURAL COUNTY WATER SUPPLY SYSTEM ACT OF 1996

Mr. NICKLES. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on (S. 1467) to authorize the construc-

tion of the Fort Peck Rural County Water Supply System, to authorize assistance to the Fort Peck Rural County Water District, Inc., a nonprofit corporation, for the planning, design, and construction of the water supply system, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

*Resolved*, That the bill from the Senate (S. 1467) entitled "An Act to authorize the construction of the Fort Peck Rural County Water Supply System, to authorize assistance to the Fort Peck Rural County Water District, Inc., a nonprofit corporation, for the planning, design, and construction of the water supply system, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause, and insert:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Fort Peck Rural County Water Supply System Act of 1996".

#### SEC. 2. DEFINITIONS.

For the purposes of this Act:

(1) *CONSTRUCTION*.—The term "construction" means such activities associated with the actual development or construction of facilities as are initiated on execution of contracts for construction.

(2) *DISTRICT*.—The term "District" means the Fort Peck Rural County Water District, Inc., a nonprofit corporation in Montana.

(3) *FEASIBILITY STUDY*.—The term "feasibility study" means the study entitled "Final Engineering Report and Alternative Evaluation for the Fort Peck Rural County Water District", dated September 1994.

(4) *PLANNING*.—the term "planning" means activities such as data collection, evaluation, design, and other associated preconstruction activities required prior to the execution of contracts for construction.

(5) *SECRETARY*.—The term "Secretary" means the Secretary of the Interior.

(6) *WATER SUPPLY SYSTEM*.—The term "water supply system" means the Fort Peck Rural County Water Supply System, to be established and operated substantially in accordance with the feasibility study.

#### SEC. 3. FEDERAL ASSISTANCE FOR WATER SUPPLY SYSTEM.

(a) *IN GENERAL*.—Upon request of the District, the Secretary shall enter into a cooperative agreement with the District for the planning, design, and construction by the District of the water supply system. Title to this project shall remain in the name of the District.

(b) *SERVICE AREA*.—The water supply system shall provide for safe and adequate rural water supplies under the jurisdiction of the District in Valley County, north-eastern Montana (as described in the feasibility study).

(c) *AMOUNT OF FEDERAL CONTRIBUTION*.—

(1) *IN GENERAL*.—Subject to paragraph (3), under the cooperative agreement, the Secretary shall pay the Federal share of—

(A) costs associated with the planning, design, and construction of the water supply system (as identified in the feasibility study); and

(B) such sums as are necessary to defray increases in the budget.

(2) *FEDERAL SHARE*.—The Federal share referred to in paragraph (1) shall be 75 percent and shall not be reimbursable.

(3) *TOTAL*.—The amount of Federal funds made available under the cooperative agreement shall not exceed the amount of funds authorized to be appropriated under section 4.

(4) *LIMITATIONS*.—Not more than 5 percent of the amount of Federal funds made available to the Secretary under section 4 may be used by the Secretary for activities associated with—

(A) compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(B) oversight of the planning, design, and construction by the District of the water supply system.

#### SEC. 4. AUTHORIZATION OF APPROPRIATIONS

There are authorized to be appropriated to carry out this Act \$5,800,000. This authorization shall terminate after a period of 5 complete fiscal years after the date of enactment of this Act unless the Congress has appropriated funds for the construction purposes of this Act. This authorization shall be extended 1 additional year if the Secretary has requested such appropriation. The funds authorized to be appropriated may be increased or decreased by such amounts as are justified by reason of ordinary fluctuations in development costs incurred after October 1, 1994, as indicated by engineering cost indices applicable to the type of construction project authorized under this Act. All costs which exceed the amounts authorized by this Act, including costs associated with the ongoing energy needs, operation, and maintenance of this project shall remain the responsibility of the District.

#### SEC. 5. CACHUMA PROJECT, BRADBURY DAM, CALIFORNIA.

The prohibition against obligating funds for construction until 60 days from the date that the Secretary of the Interior transmits a report to the Congress in accordance with section 5 of the Reclamation Safety of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509) is waived for the Cachuma Project, Bradbury Dam, California.

Mr. NICKLES. Mr. President, I ask unanimous consent the Senate concur in the House amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MISCELLANEOUS TRADE AND TECHNICAL CORRECTIONS ACT OF 1996

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 633, H.R. 3815.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3815) to make technical corrections and miscellaneous amendments to trade laws.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Finance, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Miscellaneous Trade and Technical Corrections Act of 1996".

#### SEC. 2. PAYMENT OF DUTIES AND FEES.

(a) INTEREST ACCRUAL.—Section 505(c) of the Tariff Act of 1930 (19 U.S.C. 1505(c)) is amended in the second sentence by inserting after "duties, fees, and interest" the following: "or, in a case in which a claim is made under section 520(d), from the date on which such claim is made,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to claims made pursuant to section 520(d) of the Tariff Act of 1930 (19 U.S.C. 1520(d)) on or after June 7, 1996.

#### SEC. 3. OTHER TECHNICAL AND CONFORMING AMENDMENTS.

(a) IN GENERAL.—

(1) EXAMINATION OF BOOKS AND WITNESSES.—Section 509(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1509(a)(2)) is amended by striking "(c)(1)(A)" and inserting "(d)(1)(A)".

(2) REQUIREMENT FOR CERTIFICATE FOR IM-

(5) DEPRIVATION OF LAWFUL DUTIES, TAXES, OR FEES.—Section 592(d) of the Tariff Act of 1930 (19 U.S.C. 1592(d)) is amended by striking "or fees be restored" and inserting "and fees be restored".

(6) RECONCILIATION TREATED AS ENTRY FOR RECORDKEEPING.—

(A) Section 401(s) of the Tariff Act of 1930 (19 U.S.C. 1401(s)) is amended by inserting "record-keeping," after "reliquidation,".

(B) Section 508(c)(1) of such Act (19 U.S.C. 1508(c)(1)) is amended by inserting " , filing of a reconciliation," after "entry".

(7) EXTENSION OF LIQUIDATION.—Section 504(d) of the Tariff Act of 1930 (19 U.S.C. 1504(d)) is amended—

(A) in the first sentence, by inserting " , unless liquidation is extended under subsection (b)," after "shall liquidate the entry"; and

(B) in the second sentence, by inserting "(other than an entry with respect to which liquidation has been extended under subsection (b))" after "Any entry".

(8) EXEMPTION FROM DUTY FOR PERSONAL AND HOUSEHOLD GOODS ACCOMPANYING RETURNING RESIDENTS.—Section 321(a)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)(B)) is amended by inserting " , 9804.00.65," after "9804.00.30".

(9) DEBT COLLECTION.—Section 631(a) of the Tariff Act of 1930 (19 U.S.C. 1631(a)) is amended by adding at the end the following new subsection:

"(c) PAYMENT OF COSTS.—The debtor shall be assessed and pay any and all costs associated with collection efforts pursuant to this section. Notwithstanding section 3302(b) of title 31, United States Code, any sum so collected shall be used to pay the costs of debt collection services."

(10) DESIGNATION OF CUSTOMS OFFICER.—Section 509(b) of the Tariff Act of 1930 (19 U.S.C. 1509(b)) is amended in paragraphs (3) and (4) by striking "appropriate regional commissioner" and inserting "officer designated pursuant to regulations".

(11) REVIEW OF PROTESTS.—Section 515(d) of the Tariff Act of 1930 (19 U.S.C. 1515(d)) is amended by striking "district director" and inserting "port director".

(12) ADMINISTRATIVE EXEMPTIONS.—Section 321(a) of the Tariff Act of 1930 (19 U.S.C. 1321(a)) is amended—

(A) in paragraph (1), by striking "duties, fees, and taxes actually accruing" and inserting "duties, fees, taxes, and interest actually accruing"; and

(B) in paragraph (3)—  
(i) by striking "and taxes" and inserting "taxes, and interest"; and  
(ii) by striking "or taxes" and inserting "taxes, or interest".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply as of December 8, 1993.

#### SEC. 4. CLARIFICATION REGARDING THE APPLICATION OF CUSTOMS USER FEES.

(a) IN GENERAL.—Subparagraph (D) of section 13031(b)(8) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(8)(D)) is amended—

(1) in clause (iv)—  
(A) by striking "subparagraph 9802.00.80 of such Schedules" and inserting "heading 9802.00.80 of such Schedule"; and  
(B) by striking "and" at the end of clause (iv);

(2) by striking the period at the end of clause (v) and inserting " ; and"; and

(3) by inserting after clause (v) the following new clause:

"(vi) in the case of merchandise entered from a foreign trade zone (other than merchandise to which clause (v) applies), be applied only to the value of the privileged or nonprivileged foreign status merchandise under section 3 of the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act, 19 U.S.C. 81c)."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to—

(1) any entry made from a foreign trade zone on or after the 15th day after the date of the enactment of this Act; and

(2) any entry made from a foreign trade zone after November 30, 1986, and before such 15th day if liquidation of the entry was not final before such 15th day.

#### SEC. 6. CLARIFICATION OF FEES FOR CERTAIN CUSTOMS SERVICES.

(a) IN GENERAL.—Section 13031(b)(9)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(A)) is amended—

(1) by striking "centralized hub facility or" in clause (i); and

(2) in clause (ii)—

(A) by striking "facility—" and inserting "facility or centralized hub facility—";

(B) by striking "customs inspectional" in subsection (I), and

(C) by striking "at the facility" in subclause (I) and inserting "for the facility".

(b) DEFINITIONS.—Section 13031(b)(9)(B)(i) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(B)(i)) is amended—

(1) by striking " , as in effect on July 30, 1990", and

(2) by adding at the end thereof the following new sentence: "Nothing in this paragraph shall be construed as prohibiting the Secretary of the Treasury from processing merchandise that is informally entered or released at any centralized hub facility or express consignment carrier facility during the normal operating hours of the Customs Service, subject to reimbursement and payment under subparagraph (A)."

(c) CITATION.—Section 13031(b)(9)(B)(ii) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(B)(ii)) is amended by striking "section 236 of the Tariff and Trade Act of 1984" and inserting "section 236 of the Trade and Tariff Act of 1984".

#### SEC. 7. SPECIAL RULE FOR EXTENDING TIME FOR FILING DRAWBACK CLAIMS.

Section 313(r) of the Tariff Act of 1930 (19 U.S.C. 1313(r)) is amended by adding at the end the following:

"(3)(A) The Customs Service may, notwithstanding the limitation set forth in paragraph (1), extend the time for filing a drawback claim for a period not to exceed 18 months, if—

"(i) the claimant establishes to the satisfaction of the Customs Service that the claimant was unable to file the drawback claim because of an event declared by the President to be a major disaster on or after January 1, 1994; and

"(ii) the claimant files a request for such extension with the Customs Service—

"(I) within 1 year from the last day of the 3-year period referred to in paragraph (1), or

"(II) within 1 year after the date of the enactment of this paragraph,

whichever is later.

"(B) If an extension is granted with respect to a request filed under this paragraph, the periods of time for retaining records set forth in subsection (t) of this section and section 508(c)(3) shall be extended for an additional 18 months or, in a case to which subparagraph (A)(ii) applies, for a period not to exceed 1 year from the date the claim is filed.

"(C) For purposes of this paragraph, the term 'major disaster' has the meaning given that term in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2))."

#### SEC. 8. TREATMENT OF ENTRIES OF CERTAIN TELEVISIONS.

(a) IN GENERAL.—Notwithstanding sections 514 and 520 of the Tariff Act of 1930 (19 U.S.C. 1514 and 1520), or any other provision of law, the United States Customs Service shall, not later than 90 days after the date of the enactment of this Act, liquidate or reliquidate those entries made at New York, New York, which are listed in subsection (c), in accordance with the final results of the administrative review, covering the period from May 1, 1984, through March 31, 1985, conducted by the International Trade Administration of the Department of Commerce for such entries (case number A-580-008).

(b) PAYMENT OF AMOUNTS OWED.—Any amounts owed by the United States pursuant to the liquidation or reliquidation of an entry under subsection (a) shall be paid by the Customs Service within 90 days after such liquidation or reliquidation.

(c) ENTRY LIST.—The entries referred to in subsection (a) are the following:



"902.98.05 Any of the following articles not intended for sale or distribution to the public: personal effects of aliens who are participants in, officials of, or accredited members of delegations to, the 1998 Goodwill Games, and of persons who are immediate family members of or servants to any of the foregoing persons; equipment and materials imported in connection with the foregoing event by or on behalf of the foregoing persons or the organizing committee of such event; articles to be used in exhibitions depicting the culture of a country participating in such event; and, if consistent with the foregoing, such other articles as the Secretary of the Treasury may allow

Free No change Free On or before 2/1/99".

(b) TAXES AND FEES NOT TO APPLY.—The articles described in heading 9902.98.05 of the Harmonized Tariff Schedule of the United States (as added by subsection (a)) shall be free of taxes and fees which may be otherwise applicable.

(c) EFFECTIVE DATE.—The amendment made by this section applies to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

#### SEC. 10. MISCELLANEOUS TECHNICAL CORRECTION.

Section 313(s)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1313(s)(2)(B)) is amended by striking "successor" each place it appears and inserting "predecessor".

#### SEC. 11. URUGUAY ROUND AGREEMENTS ACT.

Section 405(b) of the Uruguay Round Agreements Act (19 U.S.C. 3602(b)) is amended—

(1) in paragraph (1) by striking "1(a)" and inserting "1(b)"; and

(2) in paragraph (2) by striking "1(b)" and inserting "1(a)".

#### SEC. 12. IMPORTS OF CIVIL AIRCRAFT.

General Note 6 of the Harmonized Tariff Schedule of the United States is amended to read as follows:

"6. Articles Eligible for Duty-Free Treatment Pursuant to the Agreement on Trade in Civil Aircraft.

"(a) Whenever a product is entered under a provision for which the rate of duty 'Free (C)' appears in the 'Special' subcolumn and a claim for such rate of duty is made, the importer—

"(i) shall maintain such supporting documentation as the Secretary of the Treasury may require; and

"(ii) shall be deemed to certify that the imported article is a civil aircraft, or has been imported for use in a civil aircraft and will be so used.

The importer may amend the entry or file a written statement to claim a free rate of duty under this note at any time before the liquidation of the entry becomes final, except that, notwithstanding section 505(c) of the Tariff Act of 1930 (19 U.S.C. 1505(c)), any refund resulting from any such claim shall be without interest.

"(b)(i) For purposes of the tariff schedule, the term 'civil aircraft' means any aircraft, aircraft engine, or ground flight simulator (including parts, components, and subassemblies thereof)—

"(A) that is used as original or replacement equipment in the design, development, testing, evaluation, manufacture, repair, maintenance, rebuilding, modification, or conversion of aircraft; and

"(B)(i) that is manufactured or operated pursuant to a certificate issued by the Adminis-

trator of the Federal Aviation Administration (hereafter referred to as the 'FAA') under section 44704 of title 49, United States Code, or pursuant to the approval of the airworthiness authority in the country of exportation, if such approval is recognized by the FAA as an acceptable substitute for such an FAA certificate;

"(2) for which an application for such certificate has been submitted to, and accepted by, the Administrator of the FAA by an existing type and production certificate holder pursuant to section 44702 of title 49, United States Code, and regulations promulgated thereunder; or

"(3) for which an application for such approval or certificate will be submitted in the future by an existing type and production certificate holder, pending the completion of design or other technical requirements stipulated by the Administrator of the FAA.

"(ii) The term 'civil aircraft' does not include any aircraft, aircraft engine, or ground flight simulator (or parts, components, and subassemblies thereof) purchased for use by the Department of Defense or the United States Coast Guard, unless such aircraft, aircraft engine, or ground flight simulator (or parts, components, and subassemblies thereof) satisfies the requirements of subdivisions (i)(A) and (i)(B) (1) or (2).

"(iii) Subdivision (i)(B)(3) shall apply only to such quantities of the parts, components, and subassemblies as are required to meet the design and technical requirements stipulated by the Administrator. The Commissioner of Customs may require the importer to estimate the quantities of parts, components, and subassemblies covered for purposes of such subdivision."

#### SEC. 13. TECHNICAL CORRECTION TO CERTAIN CHEMICAL DESCRIPTION.

(a) AMENDMENT TO SUBHEADING 2933.90.02.—The article description for subheading 2933.90.02 of the Harmonized Tariff Schedule of the United States is amended by striking "(Quizalofop ethyl)".

(b) EFFECTIVE DATE.—

(1) GENERAL RULE.—The amendment made by this section applies to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

(2) RETROACTIVE PROVISION.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request (which includes sufficient information to identify and locate the entry) filed with the Customs Service on or before the date that is 180 days after the date of the enactment of this Act, any entry, or withdrawal from warehouse for consumption, of an article that occurred—

(A) after December 31, 1994, and before the date that is 15 days after the date of the enactment of this Act, and

(B) with respect to which there would have been no duty or a lesser duty if the amendment made by subsection (a) applied to such entry or withdrawal, shall be liquidated or reliquidated as though such amendment applied to such entry or withdrawal.

#### SEC. 14. MARKING OF CERTAIN IMPORTED ARTICLES AND CONTAINERS.

(a) IN GENERAL.—Section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) is amended—

(1) by redesignating subsections (f), (g), (h), and (i) as subsections (h), (i), (j), and (k), respectively, and

(2) by inserting after subsection (e) the following new subsections:

"(f) MARKING OF CERTAIN COFFEE AND TEA PRODUCTS.—The marking requirements of subsections (a) and (b) shall not apply to articles described in subheadings 0901.21, 0901.22, 0902.10, 0902.20, 0902.30, 0902.40, 2101.10, and 2101.20 of the Harmonized Tariff Schedule of the United States, as in effect on January 1, 1995.

"(g) MARKING OF SPICES.—The marking requirements of subsections (a) and (b) shall not apply to articles provided for under subheadings 0904.11, 0904.12, 0904.20, 0905.00, 0906.10, 0906.20, 0907.00, 0908.10, 0908.20, 0908.30, 0909.10, 0909.20, 0909.30, 0909.40, 0909.50, 0910.10, 0910.20, 0910.30, 0910.40, 0910.50, 0910.91, 0910.99, 1106.20, 1207.40, 1207.50, 1207.91, 1404.90, and 3302.10, and items classifiable in categories 0712.90.60, 0712.90.8080, 1209.91.2000, 1211.90.2000, 1211.90.8040, 1211.90.8050, 1211.90.8090, 2006.00.3000, 2918.13.2000, 3203.00.8000, 3301.90.1010, 3301.90.1020, and 3301.90.1050 of the Harmonized Tariff Schedule of the United States, as in effect on January 1, 1995."

(b) CONFORMING AMENDMENT.—Section 304(i) of such Act, as redesignated by subsection (a)(1), is amended by striking "subsection (f)" and inserting "subsection (h)".

(c) EFFECTIVE DATE.—The amendments made by this section apply to goods entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act.

#### SEC. 15. TARIFF TREATMENT OF CERTAIN SILVER, GOLD, AND PLATINUM BARS.

(a) IN GENERAL.—Subchapter II of chapter 71 of the Harmonized Tariff Schedule of the United States is amended—

(1) by striking subheading 7106.92.00 and inserting in numerical sequence the following new subheadings and superior text thereto, with such text having the same degree of indentation as subheading 7106.91:

"7106.92	Semimanufactured:	
7106.92.10	Rectangular or near-rectangular shapes, containing 99.5 percent or more by weight of silver and not otherwise marked or decorated than with weight, purity, or other identifying information	Free
7106.92.50	Other	4.8%

Free (A*, CA, E, IL, J, MX)	Free 65%";
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(2) by striking subheading 7108.13.50 and inserting in numerical sequence the following new subheadings and superior text thereto, with such text having the same degree of indentation as subheading 7108.13.10:

"7108.13.55	Rectangular or near-rectangular shapes, containing 99.5 percent or more by weight of gold and not otherwise marked or decorated than with weight, purity, or other identifying information	Free
7108.13.70	Other	6.6%

and

(3) by striking subheadings 7115.90.10 through 7115.90.50 and inserting in numerical sequence the following new subheadings and superior text, with the article description for subheading 7115.90.05 having the same degree of indentation as the article description for subheading 7116.10.10:

"7115.90.05	Articles of precious metal, in rectangular or near-rectangular shapes, containing 99.5 percent or more by weight of a precious metal and not otherwise marked or decorated than with weight, purity, or other identifying information.	Free	Free
7115.90.30	Of gold, including metal clad with gold	Other: 6.2%	Free (A*, CA, E, IL, J, MX) 110%



7115.90.40	Of silver, including metal clad with silver .....	4.8%
7115.90.60	Other .....	6.4%

Free (A*, CA, E, IL, J, MX)	65%
Free (A, CA, E, IL, J, MX)	65%".

(b) CONFORMING AMENDMENTS.—General note 4(d) of the Harmonized Tariff Schedule of the United States is amended—

(1) by striking "7106.92.00 Chile" and inserting "7106.92.50 Chile"; and

(2) by striking "7115.90.10 Argentina" and "7115.90.20 Argentina" and inserting "7115.90.30 Argentina" and "7115.90.40 Argentina", respectively.

(c) STAGED RATE REDUCTIONS.—Any staged rate reduction that was proclaimed by the President before the date of the enactment of this Act to take effect on or after the date of the enactment of this Act—

(1) of a rate of duty set forth in subheading 7106.92.00 of the Harmonized Tariff Schedule of

"9902.71.08 Wire containing 99.9 percent or more by weight of gold and with dopants added to control wirebonding characteristics, having a diameter of 0.05 millimeters or less, for use in the manufacture of diodes, transistors, and similar semiconductor devices or electronic integrated circuits.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

#### SEC. 17. ELIMINATION OF EAST-WEST TRADE STATISTICS MONITORING SYSTEM.

Section 410 of the Trade Act of 1974 (19 U.S.C. 2440) is repealed.

#### SEC. 18. RETROACTIVE ELECTION TO RECONCILE ENTRIES.

(a) DEFINITION OF ENTRY RECONCILIATION.—The first sentence of section 401(s) of the Tariff Act of 1930 (19 U.S.C. 1401(s)) is amended to read as follows: "The term 'reconciliation' means an electronic process, initiated at the request of an importer, under which the elements of an entry (other than those elements related to the admissibility of the merchandise) that are undetermined at the time the importer files or transmits the documentation or information required by section 484(a)(1)(B), or the import activity summary statement, are provided to the Customs Service at a later time."

(b) RECONCILIATION REQUIREMENTS.—Section 484(b)(1) (19 U.S.C. 1484(b)(1)) of such Act is amended by striking the first and second sentences and inserting the following: "A party may elect to file a reconciliation with regard to such entry elements as are identified by the party pursuant to regulations prescribed by the Secretary. If the party so elects, the party shall declare that a reconciliation will be filed. The declaration shall be made in such manner as the Secretary shall prescribe and at the time the documentation or information required by subsection (a)(1)(B) or the import activity summary statement is filed with, or transmitted to, the Customs Service, or at such later time as the Customs Service may, in its discretion, permit.

the United States shall apply to the corresponding rate of duty in subheading 7106.92.50 of such Schedule (as added by subsection (a)(1));

(2) of a rate of duty set forth in subheading 7108.13.50 shall apply to the corresponding rate of duty in subheading 7108.13.70 of such Schedule (as added by subsection (a)(2));

(3) of a rate of duty set forth in subheading 7115.90.10 shall apply to the corresponding rate of duty in subheading 7115.90.30 of such Schedule (as added by subsection (a)(3));

(4) of a rate of duty set forth in subheading 7115.90.20 shall apply to the corresponding rate of duty in subheading 7115.90.40 of such Schedule (as added by subsection (a)(3)); and

The reconciliation shall be filed by the importer of record at such time and in such manner as the Secretary prescribes but not later than 15 months after the date the importer declares his intent to file the reconciliation. In the case of reconciling issues relating to the assessment of antidumping and countervailing duties, the reconciliation shall be filed not later than 90 days after the date the Customs Service advises the importer that the period of review for antidumping or countervailing duty purposes has been completed."

#### SEC. 19. TARIFF TREATMENT FOR CERTAIN MOTOR VEHICLES.

General Note 3 of the Harmonized Tariff Schedule of the United States is amended by adding at the end the following new subdivision:

"(d) CERTAIN MOTOR VEHICLES MANUFACTURED IN FOREIGN TRADE ZONES.

"(i) DUTY IMPOSED. Notwithstanding any other provision of law, the duty imposed on a qualified article shall be the amount determined by multiplying the applicable foreign value content of such article by the applicable rate of duty for such article.

"(ii) QUALIFIED ARTICLE. For purposes of this subdivision, the term 'qualified article' means an article that is—

"(A) classifiable under any of subheadings 8702.10 through 8704.90 of the Harmonized Tariff Schedule of the United States,

"(B) produced or manufactured in a foreign trade zone before January 1, 1996,

"(C) exported therefrom to a NAFTA country (as defined in section 2(4) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3301(4)), and

(5) of a rate of duty set forth in subheading 7115.90.50 shall apply to the corresponding rate of duty in subheading 7115.90.60 of such Schedule (as added by subsection (a)(3)).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to goods that are entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

#### SEC. 16. SUSPENSION OF DUTY ON CERTAIN SEMIMANUFACTURED FORMS OF GOLD.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by adding in numerical sequence the following new heading:

"On or before 12/31/2000".

"(D) subsequently imported from that NAFTA country into the customs territory of the United States—

"(I) on or after the effective date of this subdivision, or

"(II) on or after January 1, 1994, and before such effective date, if the entry of such article is unliquidated, under protest, or in litigation, or liquidation is otherwise not final on such effective date.

"(iii) APPLICABLE FOREIGN VALUE CONTENT.

"(A) APPLICABLE FOREIGN VALUE CONTENT. For purposes of this subdivision, the term 'applicable foreign value content' means the amount determined by multiplying the value of a qualified article by the applicable percentage.

"(B) APPLICABLE PERCENTAGE. The term 'applicable percentage' means the FTZ percentage for the article plus 5 percentage points.

"(iv) OTHER DEFINITIONS AND SPECIAL RULES. For purposes of this subdivision—

"(A) FTZ PERCENTAGE. The FTZ percentage for a qualified article shall be the percentage determined in accordance with subparagraph (I), (II), or (III) of this paragraph, whichever is applicable.

"(I) REPORT FOR YEAR PUBLISHED. If, at the time a qualified article is entered, the FTZ Annual Report for the year in which the article was manufactured has been published, the FTZ percentage for the article shall be the percentage of foreign status merchandise set forth in that report for the subzone in which the qualified article was manufactured, or if not manufactured in a subzone, the foreign trade zone in which the qualified article was manufactured.

"(II) REPORT FOR YEAR NOT PUBLISHED. If, at the time a qualified article is entered, the FTZ Annual Report for the year in which the article

was manufactured has not been published, the FTZ percentage for the article shall be the percentage of foreign status merchandise set forth in the most recently published FTZ Annual Report for the subzone in which the article was manufactured, or if not manufactured in a subzone, the foreign trade zone in which the qualified article was manufactured.

"(B) APPLICABLE RATE OF DUTY. The term 'applicable duty rate' means the rate of duty set forth in any of subheadings 8702.10 through 8704.90 of the Harmonized Tariff Schedule of the United States that is applicable to the qualified article and which would apply to the article if the article were directly entered for consumption into the United States from the foreign trade zone with non-privileged foreign status having been claimed for all foreign merchandise used in the manufacture or production of the qualified article.

"(C) FOREIGN TRADE ZONE; SUBZONE. The terms 'foreign trade zone' and 'subzone' mean a zone or subzone established pursuant to the Act of June 18, 1934, commonly known as the Foreign Trade Zones Act (19 U.S.C. 81a et seq.).

"(D) FTZ ANNUAL REPORT. The term 'FTZ Annual Report' means the Annual Report to the Congress published in accordance with section 16 of the Foreign Trade Zones Act (19 U.S.C. 81p(c)).

"(E) NON-PRIVILEGED FOREIGN STATUS. The term 'non-privileged foreign status' means that privilege has not been requested with respect to an article pursuant to section 3 of the Foreign Trade Zones Act."

#### SEC. 20. TECHNICAL AMENDMENTS RELATING TO PUBLIC LAW 103-465.

##### (a) TITLE I.—

(1) Section 516A(a)(2)(A)(i)(I) of the Tariff Act of 1930 (19 U.S.C. 1516a(a)(2)(A)(i)(I)) is amended by adding a comma after "subparagraph (B)".

(2) Section 132 of the Uruguay Round Agreements Act (19 U.S.C. 3552) is amended by striking "title" and inserting "section".

##### (b) TITLE II.—

(1)(A) The item relating to section 221 in the table of contents of the Uruguay Round Agreements Act is amended to read as follows:

"Sec. 221. Special rules for review of determinations."

(B) The section heading for section 221 of that Act is amended to read as follows:

#### "SEC. 221. SPECIAL RULES FOR REVIEW OF DETERMINATIONS."

(2) Section 270(a)(2)(B) of the Uruguay Round Agreements Act is amended by striking "771(A)(c)" and inserting "771A(c)".

(3) Section 702(c)(5) of the Tariff Act of 1930 (19 U.S.C. 1671a(c)(5)) is amended by striking "(b)(1)(A)" and inserting "(b)(1)".

(4) Section 732(c)(5) of the Tariff Act of 1930 (19 U.S.C. 1673a(c)(5)) is amended by striking "(b)(1)(A)" and inserting "(b)(1)".

(5) Section 212(b)(1)(C)(i)(I) of the Uruguay Round Agreements Act is amended by striking "the petition" and inserting "a petition".

(6) Section 214(b)(2)(A)(i)(II) of the Uruguay Round Agreements Act is amended by striking "the merchandise" and inserting "merchandise".

(7) Section 771(16)(B)(i) of the Tariff Act of 1930 (19 U.S.C. 1677(16)(B)(i)) is amended by striking "merchandise which is the subject of the investigation" and inserting "subject merchandise".

(8) Section 732(e)(1) of the Tariff Act of 1930 (19 U.S.C. 1673a(e)(1)) is amended by striking "the the" and inserting "the".

(9) Section 233(a)(6)(C) of the Uruguay Round Agreements Act is amended by inserting "each place it appears" after "commence".

(10) Section 261(d)(1)(A)(ii) of the Uruguay Round Agreements Act is amended by inserting after "is amended" the following: "by striking 'as follows:' and inserting a comma and".

(11) Section 261(d)(1)(B)(ii)(I) of the Uruguay Round Agreements Act is amended by inserting "of" after "section 303 or".

(12) Section 337(b)(3) of the Tariff Act of 1930 (19 U.S.C. 1337(b)(3)) is amended in the first sentence by striking "such section and".

(13) Section 281(h)(4) of the Uruguay Round Agreements Act is amended by striking "(A)".

(14) Section 771(30) of the Tariff Act of 1930 (19 U.S.C. 1677(30)) is amended by striking "agreement" and inserting "Agreement".

(15) Section 705(c)(1)(B)(i)(II) of the Tariff Act of 1930 (19 U.S.C. 1671d(c)(1)(B)(i)(II)) is amended by inserting "section" after "if".

(16) Section 282(d) of the Uruguay Round Agreements Act (19 U.S.C. 3572(d)) is amended by aligning the text of the last sentence with the text of the first sentence.

(17) Section 783(f) of the Tariff Act of 1930 (19 U.S.C. 1677n(f)) is amended by striking "subsection (d)" and inserting "subsection (e)".

##### (c) TITLE III.—

(1) Section 314(e) of the Uruguay Round Agreements Act is amended in the matter proposed to be inserted as section 306(b)(1) of the Trade Act of 1974, by striking the closed quotation marks and second period at the end.

(2) Section 321(a)(1)(C)(i) of the Uruguay Round Agreements Act is amended to read as follows:

"(i) in the first sentence by striking 'such Act' and inserting 'such subtitle'; and".

(3) Section 592A(a)(3) of the Tariff Act of 1930 (19 U.S.C. 1592A(a)(3)) is amended by striking "list under paragraph (2)" and inserting "list under paragraph (1)".

(4) Section 301(c)(4) of the Trade Act of 1974 (19 U.S.C. 2411(c)(4)) is amended by striking "paragraph (1)(C)(iii)" and inserting "paragraph (1)(D)(iii)".

(5) Section 202(d)(4)(A)(i) of the Trade Act of 1974 (19 U.S.C. 2252(d)(4)(A)(i)) is amended by striking "section 202(b)" and inserting "subsection (b)".

(6) Section 304(a)(3)(A) of the Trade Act of 1974 (19 U.S.C. 2414(a)(3)(A)) is amended by inserting "Rights" after "Intellectual Property".

(7) Section 331 of the Uruguay Round Agreements Act (19 U.S.C. 3591) is amended by striking ", as defined in section 2(9) of the Uruguay Round Implementation Act,".

(8) Section 204 of the Agricultural Act of 1956 (7 U.S.C. 1854) is amended in the second sentence by striking "Implementation" and inserting "Agreements".

(9) Section 334(b)(1)(B)(ii) of the Uruguay Round Agreements Act (19 U.S.C. 3592(b)(1)(B)(ii)) is amended by striking "possession," and inserting "possession;".

(10) Section 305(d)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 2515(d)(2)) is amended—

(A) by striking "or" after the semicolon at the end of subparagraph (B); and

(B) in subparagraph (C) by striking the period at the end and inserting a semicolon.

(11) Section 304 of the Trade Agreements Act of 1979 (19 U.S.C. 2514) is amended—

(A) in subsection (a) by striking the comma after "XXIV(7)"; and

(B) in subsection (c)—

(i) by striking the comma after "XXIV(7)"; and

(ii) by striking the comma after "XIX(5)".

(12) Section 308(4)(D) of the Trade Agreements Act of 1979 (19 U.S.C. 2518(4)(D)) is amended by striking "the the" and inserting "the".

(13) Section 305(g) of the Trade Agreements Act of 1979 (19 U.S.C. 2515(g)) is amended—

(A) in paragraph (1)—

(i) by striking "of such subsection" and inserting "of subsection (d)(2)"; and

(ii) by inserting "of subsection (d)(2)" after "(as the case may be)"; and

(B) in paragraph (3)—

(i) by striking "the the" and inserting "the"; and

(ii) by inserting "of subsection (d)(2)" after "(as the case may be)".

(14) Section 402(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2532(4)) is amended by inserting a comma after "system, if any".

(15) Section 414(b)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 2544(b)(1)) is amended by striking "procedures," each place it appears and inserting "procedures,".

(16) Section 451(6)(A) of the Trade Agreements Act of 1979 (19 U.S.C. 2571(6)(A)) is amended by striking "Members." and inserting "Members; and".

##### (d) TITLE IV.—

(1) Section 492(c) of the Trade Agreements Act of 1979 (19 U.S.C. 2578a(c)) is amended by striking "phytosanitary" and inserting "phytosanitary".

(2) Section 412(b) of the Uruguay Round Agreements Act is amended by striking "1853" and inserting "972".

##### (e) TITLE V.—

(1) Section 154(c)(2) of title 35, United States Code, is amended in the matter preceding subparagraph (A) by striking "Acts" and inserting "acts".

(2) Section 104A(h)(3) of title 17, United States Code, is amended by striking "section 104A(g)" and inserting "subsection (g)".

##### (f) TITLE VI.—

(1) Section 141(c)(1)(D) of the Trade Act of 1974 (19 U.S.C. 2171(c)(1)(D)) is amended by striking the second comma after "World Trade Organization".

(2) Section 601(b)(1)(B) of the Uruguay Round Agreements Act (19 U.S.C. 2465 note) is amended by striking "such date of enactment" and inserting "the date of the enactment of this Act".

(3) The heading for section 1106 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2905) is amended by striking "for the wto" and inserting "or the wto".

#### SEC. 21. TECHNICAL AMENDMENTS RELATING TO PUBLIC LAW 103-182.

##### (a) TITLE II.—

(1) Section 13031(b)(10)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(10)(A)) is amended—

(A) by striking "Agreement" and inserting "Agreement Implementation Act of 1988"; and

(B) by striking "section 403" and inserting "article 403".

(2) Section 202 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3332) is amended—

(A) in subsection (m)(4)(C) by striking "(o)" and inserting "(p)"; and

(B) in subsection (p)(18) by striking "federal government" and inserting "Federal Government".

##### (b) TITLE III.—

(1) Section 351(b)(2) of the North American Free Trade Agreement Implementation Act is amended by striking "Agreement Act" and inserting "Agreements Act".

(2) Section 411(c) of the Trade Agreements Act of 1979 (19 U.S.C. 2541(c)) is amended by striking "Special Representatives" and inserting "Trade Representative".

(3) Section 316 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3381) is amended by striking "subsection 202(d)(1)(C)(i)" and inserting "subsection (d)(1)(C)(i)".

(4) Section 309(c) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3358(c)) is amended in paragraphs (1) and (2) by striking "column 1—General" and inserting "column 1 general".

##### (c) TITLE IV.—

(1) Section 402(d)(3) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3432(d)(3)) is amended in the matter preceding subparagraph (A) by striking "(c)(4)" and inserting "subsection (c)(4)".

(2) Section 407(e)(2) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3437(e)(2)) is amended by striking "petition," and inserting "petition;".

(3) Section 516A(g)(12)(D) of the Tariff Act of 1930 (19 U.S.C. 1516a(g)(12)(D)) is amended—

(A) by striking "(D)(i)" and inserting "(D)"; and

(B) by striking "If the Trade Representative" and inserting "(i) If the Trade Representative".

(4) Section 415(b)(2) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3451(b)(2)) is amended by striking "under 516A(a)" and inserting "under section 516A(a)".

(d) TITLE V.—Section 219 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2707) is amended—

(1) in subsection (b)(1) by striking "Hemisphere," and inserting "Hemisphere,"; and (2) in paragraphs (1) and (2) of subsection (h) by striking "Center," and inserting "Center,".

(e) TITLE VI.—

(1) Section 3126 of the Revised Statutes of the United States (19 U.S.C. 293) is amended by striking "or both" and inserting "or both,".

(2) Section 3127 of the Revised Statutes of the United States (19 U.S.C. 294) is amended by striking "conveyed a United States" and inserting "conveyed in a United States".

(3) Section 436(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1436(a)(2)) is amended—

(A) by striking "431(e)" and inserting "431"; and

(B) by striking "or" after the semicolon at the end.

(4) Section 313 of the Tariff Act of 1930 (19 U.S.C. 1313) is amended—

(A) in subsection (j)(2) by realigning the text following subparagraph (C)(ii)(I) beginning with "then upon the exportation" and ending with "duty, tax, or fee." two ems to the left so that the text has the same degree of indentation as paragraph (3) of section 313(j) of such Act; and

(B) in subsection (t) by striking "chapter" and inserting "Act".

(5) Section 441 of the Tariff Act of 1930 (19 U.S.C. 1441) is amended—

Methyl 2-[4-(2,4-dichlorophenoxy)phenoxy] propionate (diclofop-methyl) in bulk or in forms or packages for retail sale containing no other pesticide products (CAS No. 51338-27-3) (provided for in subheading 2918.90.20 or 3808.30.15) .....

Free

No change

No change

On or before 12/31/98".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

#### SEC. 25. ELIMINATION OF DUTY ON 2-AMINO-3-CHLOROBENZOIC ACID, METHYL ESTER.

(a) IN GENERAL.—Subheading 2922.49.05 of the Harmonized Tariff Schedule of the United States is amended by inserting after "acid" the following: "; 2-Amino-3-chlorobenzoic acid, methyl ester".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

#### SEC. 26. ELIMINATION OF DUTIES ON 3,3-DIAMINO BENZIDINE (TETRAAMINO BIPHENYL).

(a) IN GENERAL.—Subheading 2921.59.17 of the Harmonized Tariff Schedule of the United States is amended by striking "and m-Xylenediamine" and inserting "m-Xylenediamine; and 3,3-Diaminobenzidine (tetraamino biphenyl)".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

(2) RETROACTIVE APPLICATION.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law and subject to paragraph (3), any article described in subheading 2921.59.17 of the Harmonized Tariff Schedule of the United States (as amended by subsection (a)) that was entered—

(A) on or after January 1, 1995, and

(B) before the date that is 15 days after the date of the enactment of this Act, and to which lower rate of duty would have applied if the entry had been made on or after the date

(A) in each of paragraphs (1), (2), and (4) by striking the semicolon at the end and inserting a period; and

(B) in paragraph (5) by striking "; and" and inserting a period.

(6) Section 484(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1484(a)(1)) is amended by striking "553, and 336(j)" and inserting "and 553".

(7) Section 514(a) of the Tariff Act of 1930 (19 U.S.C. 1514(a)) is amended by striking "section 520 (relating to refunds and errors), and section 521 (relating to reliquidations on account of fraud)" and inserting "and section 520 (relating to refunds and errors)".

(8) Section 491(a) of the Tariff Act of 1930 (19 U.S.C. 1491(a)) is amended in the first sentence—

(A) by striking "in in" and inserting "in"; and

(B) by striking "appropriate customs officer" and inserting "Customs Service".

(9) Section 490(c)(1) of the Tariff Act of 1930 (19 U.S.C. 1490(c)(1)) is amended by striking "paragraphs (1) through (4) of subsection (a)" and inserting "subparagraphs (A) through (D) of subsection (a)(1)".

(10) Sections 1207(b)(2) and 1210(b)(1) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3007(b)(2) and 3010(b)(1)) are each amended by striking "484(e)" and "1484(e)" and inserting "484(f)" and "1484(f)", respectively.

(11) Section 641(d)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1641(d)(2)(B)) is amended in the second to the last sentence by striking "his" and inserting "the".

(12) Section 621(4)(A) of the North American Free Trade Agreement Implementation Act is amended by striking "disclosure in 30 days" and inserting "disclosure within 30 days".

that is 15 days after the date of the enactment of this Act, shall be liquidated or reliquidated as if such subheading 2921.59.17 as so amended applied to such entry and the Secretary of the Treasury shall refund any excess duty paid with respect to such entry.

(3) REQUESTS.—Liquidation or reliquidation may be made under subsection (b)(2) with respect to an entry only if a request therefor is filed with the Customs Service, within 180 days after the date of the enactment of this Act, that contains sufficient information to enable the Customs Service—

(A) to locate the entry; or

(B) to reconstruct the entry if it cannot be located.

#### SEC. 27. CERTAIN UNLIQUIDATED VESSEL REPAIR ENTRIES.

Section 484E of the Customs and Trade Act of 1990 (19 U.S.C. 1466 note) is amended—

(1) in subsection (b)—

(A) by striking "and" at the end of paragraph (2)(B);

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following new paragraph:

"(3) any entry listed in subsection (c) that was made during the period beginning on January 1, 1993, and ending on December 31, 1994, to the extent such entry involves the purchase of equipment, the use of materials, or the expense of repairs in a foreign country for 66 LASH (Lighter Aboard Ship) barges documented under the laws of the United States if—

"(A) such entry was not liquidated on January 1, 1995; and

"(B) such entry, had it been made on or after January 1, 1995, would otherwise be eligible for the exemption provided in section 466(h)(1) of the Tariff Act of 1930 (19 U.S.C. 1466(h)(1)), and"; and

(2) by adding at the end the following:

"(c) ENTRIES.—The entries referred to in subsection (b)(3) are the following:

(13) Section 592(d) of the Tariff Act of 1930 (19 U.S.C. 1592(d)) is amended in the subsection heading by striking "TAXES" and inserting "TAXES,".

(14) Section 625(a) of the Tariff Act of 1930 (19 U.S.C. 1625(a)) is amended by striking "chapter" and inserting "Act".

(15) Section 413(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1413(a)(1)) is amended by striking "this Act" and inserting "the North American Free Trade Agreement Implementation Act".

#### SEC. 22. TECHNICAL AMENDMENT REGARDING JUDICIAL REVIEW.

Section 516A(g)(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1516A(g)(4)(A)) is amended by striking "Implementation Agreement Act of 1988" and inserting "Agreement Implementation Act of 1988".

#### SEC. 23. RELIQUIDATING ENTRY OF WARP KNITTING MACHINES.

Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Customs Service before the 90th day after the date of the enactment of this Act, the Secretary of the Treasury shall—

(1) liquidate or reliquidate as duty free Entry No. 100-3022436-3, made on July 12, 1989, at the port of Charleston, South Carolina; and

(2) refund any duties and interest paid with respect to such entry.

#### SEC. 24. TEMPORARY SUSPENSION OF DUTY ON DICLOFOP-METHYL.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

#### "(1) NUMBERED ENTRIES.—

Entry Number	Date of Entry
C14-0025455-8	August 18, 1993
C14-0025456-6	August 18, 1993
C14-0025457-4	August 18, 1993
C14-0025473-1	August 27, 1993
C14-0025478-0	September 13, 1993
C14-0025479-8	September 13, 1993
C14-0025480-6	September 13, 1993
C14-0025481-4	September 13, 1993
C14-0025511-8	April 16, 1993
C14-0025533-2	April 30, 1993
C14-0025545-6	May 21, 1993
C14-0025546-4	May 21, 1993
C14-0025547-2	May 21, 1993
C14-0025558-9	June 15, 1993
C14-0025560-5	June 15, 1993
C14-0025574-6	July 21, 1993
C14-0025575-3	July 21, 1993
C14-0025603-3	July 23, 1993
C14-0025604-1	July 23, 1993
C14-0025605-8	July 23, 1993
C14-0025623-1	October 25, 1993
C14-0025624-9	October 25, 1993
C14-0025625-6	October 25, 1993
C14-0025635-5	November 8, 1993
C14-0025636-3	November 8, 1993
C14-0025637-1	November 8, 1993
C14-0025653-8	November 30, 1993
C14-0025654-6	November 30, 1993
C14-0025655-3	November 30, 1993
C14-0025657-9	November 30, 1993
C14-0025679-3	January 3, 1994
C14-0025680-1	January 3, 1994
C14-0025688-4	February 14, 1994
C14-0025689-2	February 14, 1994
C14-0025690-0	February 14, 1994
C14-0025691-8	February 14, 1994
C14-0025692-6	February 14, 1994
C14-0026803-8	January 24, 1994
C14-0026804-6	January 24, 1994
C14-0026805-3	January 24, 1994
C14-0026807-9	January 24, 1994
C14-0026808-7	January 24, 1994
C14-0026809-5	January 24, 1994
C14-0026810-3	January 24, 1994
C14-0026811-1	January 24, 1994
C14-0026826-9	March 10, 1994
C14-0026827-7	March 10, 1994
C14-0026828-5	March 10, 1994
C14-0026829-3	March 10, 1994
C14-0026830-1	March 10, 1994
C14-0026831-9	March 10, 1994
C14-0026832-7	March 10, 1994
C14-0026833-5	March 10, 1994
C14-0026841-8	March 31, 1994
C14-0026843-4	March 31, 1994

Entry Number	Date of Entry
C14-0026852-5	May 5, 1994
C14-0026853-3	May 5, 1994
C14-0026854-1	May 5, 1994
C14-0026867-3	May 18, 1994
C14-0026869-9	May 18, 1994
C14-0026874-9	June 8, 1994
C14-0026875-6	June 8, 1994
C14-0026898-8	August 2, 1994
C14-0026899-6	August 2, 1994
C14-0040625-7	October 5, 1994.

"3604.10	Fireworks:			
3604.10.10	Display or special fireworks (Class 1.3G)	2.4%	Free (A*, CA, E, IL, J, MX)	12.5%
3604.10.90	Other (including Class 1.4G)	5.3%	Free (A*, CA, E, IL, J, MX)	12.5%

(b) CONFORMING AMENDMENT.—General note 4(d) of the Harmonized Tariff Schedule of the United States is amended by striking "3604.00.00 India" and inserting "3604.10.10 India" and "3604.10.90 India".

(c) EFFECTIVE DATE.—The amendment made by this section applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

**SEC. 29. PERSONAL ALLOWANCE DUTY EXEMPTION FOR MERCHANDISE PURCHASED IN A DUTY-FREE SALES ENTERPRISE.**

Section 555(b)(6) of the Tariff Act of 1930 (19 U.S.C. 1555(b)(6)) is amended—

"9902.98.06 Motorcycles produced in the United States, previously exported and brought temporarily into the United States by nonresidents for the purpose of participating in the Sturgis Motorcycle Rally and Races

Free	No change	Free	On or before 12/31/2006".
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(b) ARTICLES TO BE SUBJECT TO INFORMAL ENTRY; TAXES AND FEES NOT TO APPLY.—Notwithstanding section 484 of the Tariff Act of 1930 (19 U.S.C. 1484) or any other provision of law, the Secretary of the Treasury may authorize the entry of an article described in heading 9902.98.06 of the Harmonized Tariff Schedule of the United States (as added by subsection (a)) on an oral declaration of the nonresident entering such article and such article shall be free of taxes and fees which may be otherwise applicable.

(c) EFFECTIVE DATE.—This section and the amendment made by this section shall apply to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

**SEC. 31. DEFERRAL OF DUTY ON CERTAIN PRODUCTION EQUIPMENT.**

(a) IN GENERAL.—Section 3 of the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act, 19 U.S.C. 81c) is amended by adding at the end thereof the following new subsection:

"9902.30.17 N-phenyl-N'-(1,2,3-thiadiazol-5-yl) urea (thidiazuron) in bulk or in forms or packages for retail sale (CAS No. 51707-55-2) (provided for in subheading 2934.90.15 or 3808.30.15)

Free	No change	No change	On or before 12/31/98".
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(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

"9902.33.90 2,3,3-Trimethyl-indolenine (CAS No. 1640-39-7) (provided for in subheading 2933.90.82)

Free	No change	No change	On or before 12/31/99".
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(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

"9902.30.30 Bis(4-amino-3-methylcyclohexyl)-methane (CAS No. 6884-37-5) (provided for in subheading 2921.30.30)

Free	No change	No change	On or before 12/31/99".
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(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

**SEC. 35. LIMITATION ON DESIGNATION AS BENEFICIARY DEVELOPING COUNTRY.**

(a) IN GENERAL.—Section 502(b)(2)(F) of the Trade Act of 1974 (19 U.S.C. 2462(b)(2)(F)) is amended to read as follows:

"(2) ADDITIONAL ENTRY.—The entry of a 66th LASH barge (No. CG E69), for which no entry number is available, if, within 60 days after the date of the enactment of this subsection, a proper entry is filed with the Customs Service."

**SEC. 28. DUTY ON DISPLAY FIREWORKS.**

(a) IN GENERAL.—Chapter 36 of the Harmonized Tariff Schedule of the United States is amended by striking subheading 3604.10.00 and

inserting in numerical sequence the following new subheadings, with the article description for subheading 3604.10 having the same degree of indentation as the article description for subheading 3604.90.00:

(1) by striking "Merchandise" and inserting "(A) Except as provided in subparagraph (B), merchandise"; and

(2) by adding at the end the following new subparagraph:

"(B) Except in the case of travel involving transit to, from, or through an insular possession of the United States, merchandise described in subparagraph (A) that is purchased by a United States resident shall be eligible for exemption from duty under subheadings 9804.00.65, 9804.00.70, and 9804.00.72 of the Harmonized Tariff Schedule of the United States upon the United States resident's return to the customs territory of the United States, if the

resident meets the eligibility requirements for the exemption claimed. Notwithstanding any other provision of law, such merchandise shall be considered to be an article acquired abroad as an incident of the journey from which the resident is returning, for purposes of determining eligibility for any such exemption."

**SEC. 30. TEMPORARY DUTY SUSPENSION FOR CERTAIN MOTORCYCLES.**

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

chandise shall be entered, as provided for in section 484 of the Tariff Act of 1930, and estimated duties shall be deposited with the Customs Service. The merchandise shall be subject to tariff classification according to its character, condition, and quantity, and at the rate of duty applicable, at the time use of the merchandise in production begins.

"(4) FOREIGN TRADE ZONE.—For purposes of this subsection, the term 'foreign trade zone' includes a subzone."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to merchandise admitted into a foreign trade zone after the date that is 15 days after the date of the enactment of this Act.

**SEC. 32. TEMPORARY SUSPENSION OF DUTY ON THIDIAZURON.**

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

**SEC. 33. 2,3,3-TRIMETHYL-INDOLENINE.**

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

**SEC. 34. BIS(4-AMINO-3-METHYLCYCLOHEXYL)-METHANE.**

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United

States is amended by inserting in numerical sequence the following new heading:

"(F) Such country aids or abets, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism or the Secretary of State makes a determination with respect to such country under section 6(j)(1)(A) of the Export Administration Act of 1979."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1996.

**SEC. 36. TEMPORARY DUTY SUSPENSION ON CERTAIN CHEMICALS USED IN THE FORMULATION OF AN HIV PROTEASE INHIBITOR.**

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new headings:

'9902.30.63	3-Acetoxy-2-methylbenzoyl chloride (CAS No. 167678-46-8) (provided for in subheading 2918.29.65)	Free	No change	No change	On or before 3/31/97
9902.30.64	(S-(R*,S*))-(3-Chloro-2-hydroxy-1-(phenylthio)methyl)propyl carbamic acid	Free	No change	No change	On or before 3/31/97
9902.30.65	N-(1,1-dimethylethyl)deca-hydro-2-[2-hydroxy-3-(3-hydroxy-2-methylbenzoyl)-amino]-4-(phenylthio)butyl-3-isquinolinecarboxamide, [3S]-[2(2S*,3S*), 3.a.,4a.b.,8a.b.] (CAS No. 159989-64-7) (provided for in subheading 2933.40.60)	Free	No change	No change	On or before 3/31/97

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of the enactment of this Act.

#### SEC. 37. TREATMENT OF CERTAIN ENTRIES OF BUFFALO LEATHER.

Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, buffalo leather, provided for in subheading 4104.39.20 of the Harmonized Tariff Schedule of the United States, that is a product of Thailand and entered into the United States under entry numbers M42-1113868-8 and M42-1113939-7, shall, upon proper request filed with the Customs Service not later than 90 days after the date of the enactment of this Act, be liquidated or reliquidated, as appropriate, as if entered on June 30, 1995.

#### SEC. 38. FEES FOR CERTAIN CUSTOMS SERVICES.

(a) **IN GENERAL.**—Section 13031(a)(5) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(5)) is amended—

(1) in subparagraph (A), by inserting "a place" after "aircraft from"; and

(2) in subparagraph (B), by striking "subsection (b)(1)(A)" and inserting "subsection (b)(1)(A)(i)".

(b) **LIMITATION ON FEES.**—Section 13031(b)(1) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(1)) is amended to read as follows:

"(b) **LIMITATIONS ON FEES.**—(1)(A) No fee may be charged under subsection (a) of this section for customs services provided in connection with—

"(i) the arrival of any passenger whose journey—

"(I) originated in—

"(aa) Canada,

"(bb) Mexico,

"(cc) a territory or possession of the United States, or

"(dd) any adjacent island (within the meaning of section 101(b)(5) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(5))), or

"(II) originated in the United States and was limited to—

"(aa) Canada,

"(bb) Mexico,

"(cc) territories and possessions of the United States, and

"(dd) such adjacent islands;

"(ii) the arrival of any railroad car the journey of which originates and terminates in the same country, but only if no passengers board or disembark from the train and no cargo is loaded or unloaded from such car while the car is within any country other than the country in which such car originates and terminates;

"(iii) the arrival of any ferry; or

"(iv) the arrival of any passenger on board a commercial vessel traveling only between ports which are within the customs territory of the United States.

"(B) The exemption provided for in subparagraph (A) shall not apply in the case of the arrival of any passenger on board a commercial vessel whose journey originates and terminates at the same place in the United States if there are no intervening stops.

"(C) The exemption provided for in subparagraph (A)(i) shall not apply to fiscal years 1994, 1995, 1996, and 1997."

(c) **FEE ASSESSED ONLY ONCE.**—Section 13031(b)(4) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(4)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by striking "No fee" and inserting "(A) No fee"; and

(3) by adding at the end the following new subparagraph:

"(B) In the case of a commercial vessel making a single voyage involving 2 or more United States ports with respect to which the passengers would otherwise be charged a fee pursuant to subsection (a)(5), such fee shall be charged only 1 time for each passenger."

(d) **EFFECTIVE DATE.**—The amendments made by this section shall take effect as if included in the amendments made by section 521 of the North American Free Trade Agreement Implementation Act.

#### SEC. 39. INJURY DETERMINATIONS FOR CERTAIN COUNTERVAILING DUTY ORDERS.

Section 753 of the Tariff Act of 1930 (19 U.S.C. 1675b) is amended—

(1) by inserting "or section 701(c)" after "section 303" each place it appears in the section heading and text; and

(2) in subsections (a)(2) and (c) by striking "under section 303(a)(2)".

#### SEC. 40. TREATMENT OF DIFFERENCE BETWEEN COLLECTIONS OF ESTIMATED ANTIDUMPING DUTY AND FINAL ASSESSED DUTY UNDER ANTIDUMPING DUTY ORDER.

Section 737(a) of the Tariff Act of 1930 (19 U.S.C. 1673f(a)) is amended—

(1) in the matter preceding paragraph (1) by striking "deposit collected" and inserting "deposit, or the amount of any bond or other security, required";

(2) in paragraph (1) by striking "the cash deposit collected" and inserting "that the cash deposit, bond, or other security"; and

(3) in paragraph (2) by striking "refunded, to the extent the cash deposit" and inserting "refunded or released, to the extent that the cash deposit, bond, or other security".

#### SEC. 41. CERTAIN LEAD FUEL TEST ASSEMBLIES.

(a) **IN GENERAL.**—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the Secretary of the Treasury shall—

(1) liquidate or reliquidate as free of duty the entries listed in subsection (b), and

(2) refund any duties paid with respect to such entry,

if the importer files a request therefor with the Customs Service within 90 days after the date of the enactment of this Act.

(b) **ENTRIES.**—The entries referred to in subsection (a) are as follows:

Entry Number	Date of Entry
110-0675952-3	March 9, 1990
110-1525996-0	September 19, 1990
110-3667810-7	November 7, 1990
110-1526938-1	December 21, 1990.

#### SEC. 42. SUSPENSION OF DUTY ON CERTAIN INJECTION MOLDING MACHINES.

(a) **IN GENERAL.**—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

Entry Number	Date of Entry
84-208511-5	July 30, 1984
84-208013-6	August 1, 1984
84-208968-7	August 7, 1984
84-208968-7	August 7, 1984
85-151075-2	February 5, 1985
85-210038-1	March 27, 1985
84-780372-9	August 3, 1984
84-781699-4	September 6, 1984
84-781699-4	September 6, 1984
84-781699-4	September 6, 1984
84-781846-8	September 18, 1984
85-944006-0	May 3, 1985
85-294383-6	August 27, 1985
86-215010-1	October 30, 1985
86-215185-4	December 2, 1985
86-215310-8	December 16, 1985
85-602949-7	April 15, 1985
85-602950-7	April 19, 1985
85-602966-2	April 19, 1985
85-603347-0	April 26, 1985
85-603523-2	May 8, 1985
85-604545-5	May 31, 1985
86-383795-7	April 22, 1986
110-1905894-7	February 23, 1987
86-216530-3	April 16, 1986
110-0269614-1	January 12, 1987
110-0269942-6	January 19, 1987
110-0269947-5	January 19, 1987
110-0269942-6	January 22, 1987
86-477371-9	August 14, 1986
86-477371-9	August 20, 1986
331-3808023-0	October 20, 1986
331-3808023-0	October 20, 1986

'9902.84.77 Automated multi-plunger transfer presses, suitable for use in the encapsulation with thermosetting materials of diodes, transistors, and similar semiconductor devices or electronic integrated circuits (provided for in subheading 8477.10.80)

Free No change No change On or before 12/31/2000

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

#### SEC. 43. RELIQUIDATION OF CERTAIN ENTRIES OF COLOR TELEVISIONS.

(a) **IN GENERAL.**—Notwithstanding sections 514 and 520 of the Tariff Act of 1930 (19 U.S.C. 1514 and 1520), or any other provision of law, the Customs Service shall, not later than 90 days after the date of the enactment of this Act, liquidate or reliquidate those entries made at various ports, which are listed in subsection (c), in accordance with the final results of the administrative reviews, covering the period from April 1, 1984, through March 31, 1991, conducted by the International Trade Administration of the Department of Commerce for such entries (case number A-580-008).

(b) **PAYMENT OF AMOUNTS OWED.**—Any amounts owed by the United States pursuant to the liquidation or reliquidation of an entry under subsection (a) shall be paid by the Customs Service within 90 days after such liquidation or reliquidation.

(c) **ENTRY LIST.**—The entries referred to in subsection (a) are the following:

Entry Number	Date of Entry
84-915604-7	July 6, 1984
84-915604-7	July 6, 1984
84-915830-4	July 17, 1984
84-916057-0	August 9, 1984
84-916057-0	August 9, 1984
84-916302-7	July 28, 1984
84-916323-4	July 28, 1984
84-916302-7	July 30, 1984
84-525823-7	September 20, 1984
84-525823-7	September 25, 1984
84-525971-5	October 17, 1984
84-525971-5	October 17, 1984
84-525971-5	October 17, 1984
84-525971-5	October 17, 1984
84-525971-5	October 17, 1984
85-279644-9	October 4, 1984
85-279654-6	October 9, 1984
85-280518-1	December 28, 1984
85-280518-1	December 28, 1984
85-102631-4	November 13, 1984
85-102631-4	November 13, 1984
85-401288-5	October 8, 1984
84-444821-3	August 3, 1984
84-444821-3	August 3, 1984
85-422162-4	October 31, 1984
85-422162-4	October 31, 1984
84-215744-1	July 6, 1984
84-216018-2	August 6, 1984
84-208013-6	July 30, 1984
84-208013-6	July 30, 1984

Entry Number	Date of Entry
86-198869-1	September 9, 1986
86-198893-4	September 17, 1986
86-198964-5	October 14, 1986
331-3807959-6	October 15, 1986
331-3807959-6	October 15, 1986
331-3807959-6	October 15, 1986
331-3807959-6	October 15, 1986
331-3808023-0	October 20, 1986
331-3812541-5	December 26, 1986
331-3812541-5	December 26, 1986
331-3813766-7	February 19, 1987
110-1123057-7	January 2, 1987
110-1124082-4	March 26, 1987
110-1272348-9	November 14, 1986
110-1272348-9	November 14, 1986
110-1272505-4	December 10, 1986
110-1272505-4	December 10, 1986
110-1273532-7	January 10, 1987
110-1274561-5	February 20, 1987
110-1274921-1	March 6, 1987
110-1275320-5	March 23, 1987
110-1275321-3	March 31, 1987
110-1907947-1	January 22, 1988
110-1906495-2	June 5, 1987
110-1906599-1	June 22, 1987
110-1906599-1	June 22, 1987
110-1906856-5	August 2, 1987
110-1907967-9	January 27, 1988
110-1908198-0	March 4, 1988
110-1908178-2	March 10, 1988
110-0294344-8	May 6, 1987
110-0294344-8	June 5, 1987
110-1124130-1	April 1, 1987
110-1124130-1	April 2, 1987
110-1124130-1	April 2, 1987
110-1125551-7	July 17, 1987
110-1125551-7	July 17, 1987
110-1126810-6	October 27, 1987
110-1127047-4	November 6, 1987
110-1127620-8	December 23, 1987
110-1275844-4	April 16, 1987
110-1278958-9	September 10, 1987
110-1278958-9	September 10, 1987
110-1279151-0	September 18, 1987
110-1279825-9	October 8, 1987
110-1279767-3	October 16, 1987
110-1280177-2	October 21, 1987
110-1280206-9	October 22, 1987
110-1282001-2	January 12, 1988
110-1282566-4	February 11, 1988
110-1282642-3	February 11, 1988
110-1286015-8	February 22, 1988
110-1286165-1	March 16, 1988
110-1286165-1	March 16, 1988
110-1286165-1	March 16, 1988
110-1908453-9	April 22, 1988
110-1908567-6	May 11, 1988
110-1908567-6	May 11, 1988
110-1908928-0	June 29, 1988
110-1129739-4	May 13, 1988
110-1131047-8	August 4, 1988
110-1133675-4	January 6, 1989
110-1286261-8	April 7, 1988
110-1286261-8	April 7, 1988
110-1286492-9	May 12, 1988
110-1286492-9	May 12, 1988
110-1286492-9	May 12, 1988
110-1286677-5	June 16, 1988
110-1286796-3	July 7, 1988
110-1286965-4	August 4, 1988
110-1286965-4	August 4, 1988
110-1288931-4	December 8, 1988
110-0301260-3	May 12, 1989
110-0301272-8	May 19, 1989
110-0153952-4	September 3, 1989
110-1135558-0	May 12, 1989
110-1135558-0	May 12, 1989
110-1136677-7	July 11, 1989
110-1139014-0	November 24, 1989
110-1294013-3	September 14, 1989
110-1298751-4	May 15, 1990
110-1274861-9	March 4, 1987
110-1274863-5	March 4, 1987
110-1275349-4	May 12, 1987
110-1285836-8	August 31, 1988
110-1286179-2	March 25, 1988
110-1286180-0	March 25, 1988
110-1286181-8	March 25, 1988
110-1286265-9	April 5, 1988
110-1286507-4	May 12, 1988
110-1286580-1	May 26, 1988
110-1286582-7	May 26, 1988
110-1286584-3	May 26, 1988
110-1286634-6	June 7, 1988
110-1286681-7	June 18, 1988
110-1286751-8	June 23, 1988
110-1286782-3	July 7, 1988
110-1286879-7	July 27, 1988
110-1286881-3	August 1, 1988
110-1286882-1	August 10, 1988
110-1286925-8	July 27, 1988
110-1286927-4	August 1, 1988
110-1286972-0	August 11, 1988
110-1286991-0	August 1, 1988

## AMENDMENT NO. 5419

(Purpose: To add a table of contents and make technical amendments)

Mr. NICKLES. Mr. President, Senator ROTH has an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Oklahoma [Mr. NICKLES], for Mr. ROTH, proposes an amendment numbered 5419.

Mr. NICKLES. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 48, line 17, strike all through line 19, and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the "Miscellaneous Trade and Technical Corrections Act of 1996".

(b) TABLE OF CONTENTS.—

- Sec. 1. Short title; table of contents.
- Sec. 2. Payment of duties and fees.
- Sec. 3. Other technical and conforming amendments.
- Sec. 4. Clarification regarding the application of customs user fees.
- Sec. 5. Technical amendment to the Customs and Trade Act of 1990.
- Sec. 6. Clarification of fees for certain customs services.
- Sec. 7. Special rule for extending time for filing drawback claims.
- Sec. 8. Treatment of entries of certain televisions.
- Sec. 9. Temporary duty suspension for personal effects of participants in certain world athletic events.
- Sec. 10. Miscellaneous technical correction.
- Sec. 11. Uruguay Round Agreements Act.
- Sec. 12. Imports of civil aircraft.
- Sec. 13. Technical correction to certain chemical description.
- Sec. 14. Marking of certain imported articles and containers.
- Sec. 15. Tariff treatment of certain silver, gold, and platinum bars.
- Sec. 16. Suspension of duty on certain semimanufactured forms of gold.
- Sec. 17. Elimination of East-West Trade Statistics Monitoring System.
- Sec. 18. Retroactive election to reconcile entries.
- Sec. 19. Tariff treatment for certain motor vehicles.
- Sec. 20. Technical amendments relating to Public Law 103-465.
- Sec. 21. Technical amendments relating to Public Law 103-182.
- Sec. 22. Technical amendment regarding judicial review.
- Sec. 23. Reliquidation of entries of warp knitting machines.
- Sec. 24. Temporary suspension of duty on diclofop-methyl.
- Sec. 25. Elimination of duty on 2-amino-3-chlorobenzoic acid, methyl ester.
- Sec. 26. Elimination of duty on 3,3'-diaminobenzidine (tetraamino biphenyl).
- Sec. 27. Certain unliquidated vessel repair entries.
- Sec. 28. Duty on display fireworks.
- Sec. 29. Personal allowance duty exemption for merchandise purchased in a duty-free sales enterprise.
- Sec. 30. Temporary duty suspension for certain motorcycles.
- Sec. 31. Deferral of duty on certain production equipment.
- Sec. 32. Temporary suspension of duty on thidiazuron.
- Sec. 33. 2,3,3-trimethyl-indolenine.
- Sec. 34. Bis(4-amino-3-methylcyclohexyl)-methane.

Sec. 35. Limitation on designation as beneficiary developing country.

Sec. 36. Temporary duty suspension on certain chemicals used in the formulation of an HIV protease inhibitor.

Sec. 37. Treatment of certain entries of buffalo leather.

Sec. 38. Fees for certain customs services.

Sec. 39. Injury determinations for certain countervailing duty orders.

Sec. 40. Treatment of difference between collections of estimated anti-dumping duty and final assessed duty under antidumping duty order.

Sec. 41. Certain lead fuel test assemblies.

Sec. 42. Suspension of duty on certain injection molding machines.

Sec. 43. Reliquidation of certain entries of color televisions.

Sec. 44. Articles used to provide repair and maintenance services.

Sec. 45. Yttrium oxide and cerium aluminum terbium used as luminophores.

Sec. 46. Pharmaceutical grade phospholipids.

Sec. 47. Certain structures, parts and components used in the Gemini Telescopes Project, Mauna Kea, Hawaii.

Sec. 48. Articles provided to Steward Observatory.

Sec. 49. Reliquidation of certain frozen concentrated orange juice entries.

Sec. 50. Twine, cordage, ropes, and cables.

Sec. 51. Suspension of duty on certain fatty acid esters.

Sec. 52. Duty suspension on a mobile bison slaughter unit.

Sec. 53. Exemption from tariffs and fees for certain aircraft parts and equipment.

Sec. 54. Reliquidation of certain entries of live swine.

Sec. 55. Reliquidation of certain entries of sewing machines.

Sec. 56. Temporary duty suspension on certain textured rolled glass sheets.

Sec. 57. Temporary suspension of duty on DGMT.

Sec. 58. Investigation on cattle and beef trade.

Sec. 59. Special rule for Generalized System of Preferences.

On page 88, strike lines 7 and 8, and insert the following:

**SEC. 23. RELIQUIDATION OF ENTRIES OF WARP KNITTING MACHINES.**

On page 89, strike lines 15 through 17, and insert the following:

**SEC. 26. ELIMINATION OF DUTY ON 3,3'-DIAMINO BENZIDINE (TETRAAMINO BIPHENYL).**

On page 112, beginning on line 1, strike all through the matter following line 6, and insert the following:

**SEC. 45. YTTRIUM OXIDE AND CERIUM ALUMINUM TERBIUM USED AS LUMINOPHORES.**

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

<p>"9902.32.06 Yttrium oxide and cerium aluminum terbium of a kind used as luminophores (provided for in subheading 3206.50.00)</p>	<p>Free No change</p>	<p>No change</p>	<p>On or before 12/31/2000".</p>
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Mr. NICKLES. Mr. President, I ask unanimous consent the amendment be

considered as read and agreed to, the committee amendment be agreed to, the bill be deemed read for the third time and passed, the motion to reconsider be laid upon the table and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The amendment (No. 5419) was agreed to.

The committee amendment was agreed to.

The bill (H.R. 3815), as amended, was deemed read a third time, and passed.

#### AIRLINE SAFETY

Mr. STEVENS. Mr. President, we are facing a very serious matter before the Senate and Congress adjourns. The authority to spend money from the Airport and Airways Trust Fund expires on September 30. After that date, it will not be possible to spend, literally, millions and millions of dollars necessary to continue the modernization of our airway system, improvements in airports, in particular, that are safety-related, unless this bill is passed.

The airport at my capital city in Juneau is now red-lined because of the failure to have a system to deal with shear winds that develop there. We are now working to move into Juneau some portable equipment that can deal with wind profiling and predict shear wind. We have had over 1,000 people stranded in Juneau in the last week. We were seeking to go out of Juneau because of the failure to get clearance for the jets that fly from my State to Seattle. Alaska Airlines has practically been grounded there at a time when there was no winds at all.

This bill is being held up because of a provision offered by a member of the Democratic Party in this Senate, supported in conference by all but two members of that conference, and it is literally being blocked.

Mr. President, this bill provides for safety equipment at airports all over this country. Once we get to September 30, if that bill is not passed, they will come to a screeching halt. I want the Senate to know I will use every parliamentary maneuver I know to keep us in session until that bill passes.

I want everyone to listen because I am serious. We cannot recess without passing the FAA bill, and there is no way that this Senator will permit that. One Senator can keep the Senate in session if he wants to do that. We will stay in session until it passes.

I want further to note that there will not be another bill pass here by unanimous consent that has a Democratic name on it until the FAA bill passes.

I make strange statements at times, but at this time I know I can carry that out. I hope all Members of the other side in this body and in the other body are listening, because I don't care who it is—there is a conspiracy now

against the extension of the airport-airways trust fund authorization. Now, in my State, which is one-fifth the size of the whole United States, we don't build roads, we fly; 75 percent of the communities in my State can be reached only by air. We are in the process now of moving in new equipment. The bill contains a sizable amount of authorization to carry out that new equipment.

As this Senate knows, we have had too many recent crashes. I was in one crash, Mr. President, in 1978, that was brought about by sheer winds. I have tried, in my time in the Senate, to do everything I can to get the authorization to get the changes and we now have them coming. This bill provides them.

I cannot tell the Senate in any stronger terms, we are going to stay in session—I am sorry to serve notice on the leadership itself—we are going to stay in session until that bill passes. If it is December 31, we are still going to be here. We cannot operate in my State without airways trust fund moneys. They provide the basic security for our transportation system.

I am just appalled that this one little provision that represents correcting an error that was made in the ICC bill—when it passed the Senate and the House, it was an acknowledged error. One little provision that was placed in there by my good friend from South Carolina that is in this bill now is apparently an excuse for some of the Members on the other side of the aisle to hold up this important bill. It is a bill, by the way, that will provide hundreds of millions of dollars for the continuation of construction at airports throughout this country. Those will all come to a halt. No money is authorized to be spent after September 30 unless this bill passes.

So, Mr. President, I yield back to my friend, so he can bring about the closing. But I shall be here every minute the Senate is open now in order to assure that that bill will pass. It is a bill that we have worked on now for 2 years, and I was part of the conference committee. I know what happened in conference. But that is the democratic process. The two Senators who are objecting, and who are missing, better get on the plane and come back, because I am going to start calling them by name Monday if they are not back here and are trying to block this bill in absentia. This is the most important bill to my State every time it comes up. It is going to pass. That is all there is to it.

Mr. NICKLES. addressed the Chair.

The PRESIDING OFFICER (Mr. STEVENS). The Senator from Oklahoma.

Mr. NICKLES. My compliments to my colleague from Wyoming. He did fulfill a very significant heritage by following his father's footsteps in the Senate.

I also want to mention the comments made by my colleague from Alaska dealing with the FAA bill. We need to pass that bill, the Senator is right. It is going to be irresponsible if we don't pass the bill. So I just pledge to my friend and colleague from Alaska that we will work as energetically as we possibly can to try to make sure that happens before we adjourn sine die.

#### ORDERS FOR MONDAY, SEPTEMBER 30, 1996

Mr. NICKLES. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. on Monday, September 30; further, that immediately following the prayer, the Journal of the proceedings be deemed approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day; the Senate then proceed to the amendable continuing resolution, which will come from the House later this evening, for debate only, no amendments in order prior to the hour of 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PROGRAM

Mr. NICKLES. Mr. President, the Senate will begin consideration of the omnibus appropriations bill at 10 a.m. on Monday. Also the Senate can be expected to consider the FAA conference report, the Presidio conference report, and other legislative items cleared for action.

Therefore, votes will occur but will not occur prior to the hour of 2 p.m. on Monday.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ADJOURNMENT UNTIL 10 A.M. MONDAY, SEPTEMBER 30, 1996

Mr. NICKLES. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

For the information of all Senators, we will reconvene at 10 a.m. on Monday morning.

There being no objection, the Senate, at 7:08 p.m., adjourned until Monday, September 30, 1996, at 10 a.m.